

# University Enterprise Zones

Boosting local business

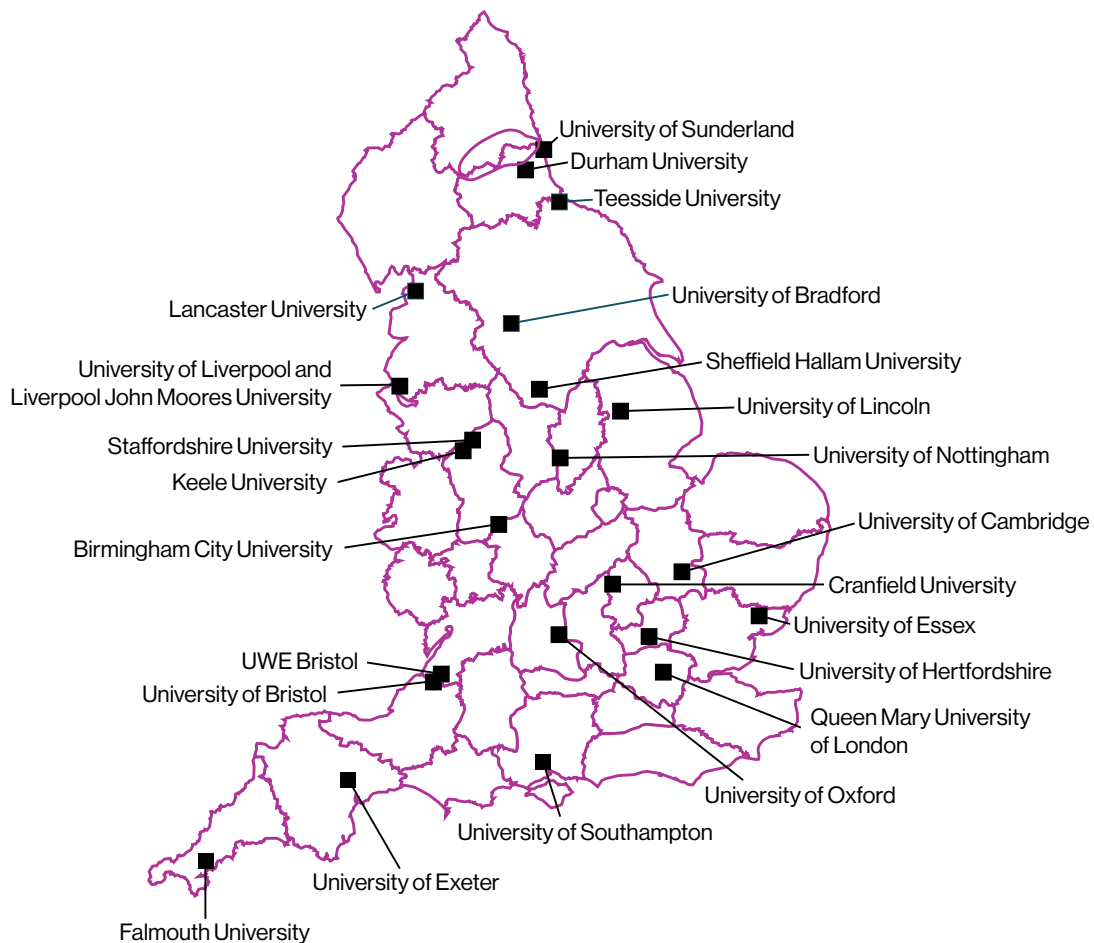


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# Map of University Enterprise Zones (UEZs)

There are currently 23 UEZs in England.



[VIEW AN INTERACTIVE MAP OF UEZS IN REGIONS OF ENGLAND](#)

# Introduction

The UK is facing a series of long-term economic challenges. To confront increasing regional inequality, flagging productivity and an ever-widening skills gap, universities and local businesses need to work together better. University Enterprise Zones (UEZs) offer a promising solution.

Our report, [Our universities: generating growth and opportunity](#), listed four key recommendations for the UK Government to help enable universities to work with businesses and local government to kickstart growth and opportunity in left-behind areas of the UK.

**One of our key recommendations was for the government to establish a University Enterprise Zone (UEZ) in every university in the UK.** UEZs are a pre-existing programme which, as will be outlined below, have been evaluated by government to provide excellent return on investment, especially in left-behind areas.

## Why now?

[In his Autumn Statement](#), Chancellor Jeremy Hunt announced that he would 'change [the government's] focus on investment zones, which will now focus on leveraging our research strengths by being centred on universities in left behind areas to help build clusters for our new growth industries.'

This is a great opportunity for the government to help deepen local-level ties between universities, local businesses, and upskilling people in their local communities.

Universities are already deeply embedded in this work through delivering the [Help to Grow: Management Course](#), by providing support to businesses and charities worth more than £11.6 billion over the next five years all the while creating 21,650 new businesses. In fact, many of these programmes are delivered through UEZs.

# What are University Enterprise Zones?

University Enterprise Zones (UEZs) are specified areas where universities and local business work together to boost productivity, growth, innovation and investment, adding value to local enterprises and business. No two UEZs are identical. Many have specific focuses, such as health tech, digital innovation, or urban design.

However, broadly speaking, UEZs aim to do the following:

- provide incubator and growth places for small businesses
- encourage businesses to interact with universities, including research and business support
- provide business support to from universities' enterprise teams, often through the government's Help to Grow scheme
- provide access high tech facilities, such as wind tunnels, 3D printing, virtual reality or digital suites, laboratories, etc
- generating and commercialisable innovation and delivering skills
- provide access to investors and other funding opportunities

UEZs were first founded nearly a decade ago. In 2014, universities, including the University of Liverpool and Liverpool John Moores university, were selected to create four University Enterprise Zones as part of a 10 year, £15 million UEZ pilot programme by the Department for Business, Energy and Industrial Strategy (BEIS).

In 2019, a further 20 universities were allocated £20 million to establish UEZs, managed by the Research England Development (RED) Fund and BEIS.

At the moment, UEZs are an England-only programme. However, universities are involved in similar programmes across the devolved nations, such as Interface in Scotland and Enterprise Zones in Wales.

## What impact do UEZs have?

UEZs have broad specialisms. Oxford Brookes' Artificial Intelligence & Data Analysis (AIDA) Incubator specialises in helping businesses to adopt advanced quantitative techniques involving AI and Data Analysis. The University of Bristol's Unit DX focuses on developing biotech and life sciences business from university research, and helping science and research and development-based businesses boost their growth.

Most UEZs offer a wide range of general incubator and business support, as outlined above. This is especially true for left-behind areas: 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. UEZs are an England-specific programme. However, in devolved settings, universities play the same role in a different policy and funding contexts.

For example, in Scotland, universities are at the heart of Innovation Centres and in the development of Tech Scalars. At the heart of all these initiatives is encouraging local growth and innovation by bringing together different stakeholders across the local area: the first cohort of UEZs had an explicit mission to strengthen and with engage with Local Enterprise Partnerships (LEPs) by building on existing capabilities and partnerships.

UEZs have also proven capable of attracting private and public investment. In addition to the initial funding pot of £20 million, UEZs set up in 2019 were able to raise an additional £77.3 million. This amounts to an additional £4.50 for every £1 of initial project funding.

# What have we learned can make UEZs better?

## UEZs need revenue funding

The independent 2018 interim report on University Enterprise Zones emphasises the need for revenue funding in addition to capital funding for UEZ projects to be a success. Several UEZs have struggled to properly staff their facilities owing to a lack of revenue funding.<sup>1</sup>

The 2019 RED fund improved on this by building on more revenue funding delivered over the course of two years: however, the interim report notes that to maintain existing or planned levels of productivity, consistent revenue funding is needed.<sup>2</sup>

## Location is crucial

Location has a notable effect on uptake on the UEZ offer. In some cases, university campuses worked well, but in others local businesses preferred other locations owing to their centrality and practical considerations. Successful locations must be convenient for both businesses and academics and students to generate interaction.<sup>3</sup>

## Staff should have experience

UEZs thrive when the projects involve organisations or individuals who have past experience in business support and facility management. This helps with securing tenants, as well as ensuring that tenants are correctly supported.<sup>4</sup>

1 Technopolis Group (2018), University Enterprise Zones (UEZ) pilot interim evaluation, p.36, available at: [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/803088/UEZs\\_interim\\_evaluation\\_report\\_july\\_2018.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/803088/UEZs_interim_evaluation_report_july_2018.pdf)

2 University Enterprise Zones (UEZ) pilot interim evaluation, p.36

3 University Enterprise Zones (UEZ) pilot interim evaluation, p.2

4 University Enterprise Zones (UEZ) pilot interim evaluation, p.2

# Case studies

## University of Bradford: Digital Health Enterprise Zone



The Digital Health Enterprise Zone (DHEZ) at the University of Bradford works with businesses, health professionals, researchers, students and communities on digital health solutions that put patients first.

As part of the university's Research and Innovation department, the DHEZ can support project development and funding proposal writing and provide access to relevant facilities. It also provides the opportunity to network and share knowledge with the University of Bradford research community and other tenants with an interest in digital health, including AI, big data, mobile app development, medical engineering and digital pathology.

The DHEZ's facilities include a flexible biochemistry laboratory, a blood sampling suite, ophthalmology and physiotherapy clinics, and consulting rooms to assist pharmacists and business to help develop digital health devices for ordinary people. Its eye and physiotherapy clinics are open to the public, with thousands of local residents using its services every year.



## Impact

The DHEZ played its part in the pandemic response by hosting trials of the Novavax Covid-19 vaccine in partnership with Bradford Teaching Hospitals NHS Foundation Trust.

The enterprise zone continues to engage with the health and care sector by training adult social care workers on the latest domestic digital health care technologies at their Tech House.

The DHEZ's businesses and health and social care partners provide experiential learning opportunities for Bradford's student body, through the offer of digitally focused research projects. This meets local businesses needs whilst simultaneously raising research aspirations, creating confident and skilled professionals.

## Success story: Survivors West Yorkshire

One of the charities currently based at the DHEZ, Survivors West Yorkshire, has worked with over 1000 male survivors of sexual abuse over the last 5 years, while exploring the science around psychological trauma to better inform their services.

Survivors West Yorkshire's CEO, Robert Balfour, proactively supports the powerful public health potential increasingly evidenced by the 'pioneering digital health interventions in public health' being enabled at the DHEZ.

## Falmouth University: Launchpad Venture Studio

Falmouth University's [Launchpad Venture Studio](#) is a business incubator specialising in virtual and online technology. It supports local and student-founded business by providing incubator space, mentoring and advice, and scale-up services such as financing, coaching, advice, and workspace.



### Impact

To date, Falmouth's Launchpad has seen:

- **66 new businesses created/supported**, with a portfolio value of £17.4 million
- **Over 164 new jobs created**, including founders/directors and employees
- **Over 130 postgraduate qualifications** bestowed to participants to the MA/ MSc in Entrepreneurship
- **A sister project, Launchpad Outreach**, focusing on business assist in Cornwall, has supported more than 59 businesses since 2019, complementing the assistance provided by Launchpad
- **£21 million secured for the delivery of the project (2016-2023)**, including £5.77 million of capital for a bespoke state of the art venture studio

**'I am impressed by Launchpad's innovative project methodology and the dynamism of university staff. The swift development of graduate talent into viable start-ups is truly exceptional.'**

Colin Macdonald, All 4 Games

**'It is inspiring to meet entrepreneur students at Falmouth University, paired with industry to grow new businesses for Cornwall and the wider UK economy.'**

The Rt Hon Sajid Javid MP, former Secretary of State for Communities and Local Government

### **Success story: Codices**

One of Launchpad's success stories is [Codices](#). Codices provides tools for online broadcasters to develop, manage and monetise live interactive gameshows. The company's first product, [Quiz Kit](#), available on Twitch, has amassed over 3 million monthly active viewers and 15,000 monthly broadcasters. One out of every 20 active Twitch channels has now used the tool.

Codices is currently valued at £8.7 million, employs eleven people and is working with streaming giants and entertainment platforms including Amazon Prime Video, Disney Plus and the English Premier League.

In 2019, Codices was named by Creative England as one of the top 50 disruptive companies in the UK and was the winner of Tech Nation Rising Stars 2020 as well as the 2020 Tech South West Awards.

## Teesside University: The Launchpad

In response to a growing tech sector, growing micro businesses and investment across Middlesbrough in digital companies, The Launchpad at Teesside University will support local economic growth.

The project developed the Launchpad, an existing on-campus incubation space, into a mixed-use incubator with 12 small start-up units, 6 large digital studios, 5 micro factories, a community impact bakery and a 50 seat co-working space.



### Impact

Since completion in the summer of 2021 and despite the impact of Covid lockdowns, to date Launchpad has:

- reached **100% occupancy**
- incubated **22 new businesses**
- supported **46 new graduate start-ups**
- created a community of **45 members** in its co-working space

## Success story: OPPORTUNI

OPPORTUNI simplifies the complete public sector tender process for businesses using advanced AI, industry-leading contract award data and a global network of experienced professional bid writers. It's now on track to become the first billion-dollar business in the Tees Valley.

In less than three years, the innovative platform has helped hundreds of businesses around the world to seal multi-million-pound deals within the public sector, including big-name brands such as Amazon, KPMG, Deloitte, Microsoft and more.

Founder of OPPORTUNI, Tim Ward, said the support from Teesside University has kept them in business:

**'The DigitalCity Accelerator Programme helped us to gain feedback and guidance as we made key decisions and started scaling the business [...] It still brings so much value in terms of helping you to question what you're doing and push you to the next level. It helps you to think more ambitiously and think on a bigger scale.'**

Tim Ward, Founder, OPPORTUNI

## University of the West of England (UWE Bristol): Future Space

Situated on campus, Future Space supports businesses working in high-tech areas including robotics, digital and creative technologies, health tech and biosciences.

The UEZ, which currently hosts 64 businesses, includes offices, workshops and lab-space for science and tech-based businesses, and has been explicitly designed to encourage innovation, collaboration and inspiration.

### Impact

55% of businesses at the UEZ have interacted with the university through collaboration with researchers, business experts, and hiring students for paid internships.

As of January 2022, some Future Space's successes include:

- **£44m raised** by companies based at the UEZ
- **427 new jobs** created
- **£6.8 million worth** of collaborative research
- **240 new and improved** products and services
- **£16.9 million gross value added** to the local economy

### Success story: paid internships

In addition to providing spaces, labs, and knowledge exchange for businesses, Future Space offers paid internships where companies based at the UEZ can recruit suitable interns for their business. The university also offers short-term placements on credit bearing programmes for students, allowing them to gain practical, real-life experience of entrepreneurship and business development.

**‘There’s so much support and being linked with UWE Bristol has been extremely beneficial. As well as funding, we’ve also had intern support funded by the University to help develop our software, and the Launch Space programme was invaluable. The support is there – people just need to tap into it.’**

Zeke Steer, Founder, MilBOTix

**'I have been blown away by my intern. She has so much creativity and energy and has already presented to the board. Our investors are onboard with her being employed and we are currently looking at graduate visa options so that we can keep hold of her.'**

Jenny Bailey, Founder, FerryX

# Appendix: list of University Enterprise Zones

## UEZs set up in 2014 by BEIS

- University of Bradford, [Digital Health Enterprise Zone](#)
- University of Liverpool and Liverpool John Moores University, [Sensor City](#)
- University of Nottingham, [Ingenuity Lab](#)
- University of the West of England, Bristol, [Future Space](#)

## UEZs set up in 2019 by the Research England Development Fund and BEIS

- Birmingham City University, [STEAMincubator](#)
- Cranfield University, [AVIATE+](#)
- Durham University, [Orbit](#)
- Keele University, [Keele Growth Corridor University Enterprise Zone](#)
- Lancaster University, [Secure Digitalisation University Enterprise Zone](#)
- Oxford Brookes University, [AIDA \(Artificial Intelligence & Data Analysis\) Incubator](#)
- Queen Mary University of London, [Queen Mary University Enterprise Zone](#)
- Sheffield Hallam University, [The AWRC Wellbeing Accelerator](#)
- Staffordshire University, [Innovation Enterprise Zone](#)
- Teesside University, [University of Teesside UEZ](#)
- University College London (UCL), [East London Inclusive Enterprise Zone \(ELIEZ\)](#)
- University of Bristol, [Unit DX](#)



- University of Cambridge, [Connect: Health Tech UEZ](#)
- University of Essex, [University of Essex UEZ](#)
- University of Exeter, [University of Exeter Enterprise Zone \(UEEZ\)](#)
- University of Falmouth, [Launchpad](#)
- University of Hertfordshire, [University of Hertfordshire UEZ](#)
- University of Lincoln, [University of Lincoln UEZ](#)
- University of Southampton, [Future Towns Innovation Hub](#)
- University of Sunderland, [Digital Incubator](#)

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