



A VISION FOR GROWTH

Professional and technical universities:
engines for economic recovery

 University
Alliance

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Professional and technical universities: engines for economic recovery

Professional and technical universities are supporting the country during a period of unprecedented economic circumstances. Growth is dependent on keeping the UK stoked with new skills, new ideas and new investment. We have the opportunity to cement UK universities' leading status on the global stage, bringing new income streams and new international partnerships to benefit everyone. Universities can:



**FILL THE
HIGH-LEVEL
SKILLS GAP**



**DRIVE REGIONAL
GROWTH AND
PROSPERITY**



**TURBO BOOST
THE UK'S GLOBAL
AMBITIONS**



This briefing highlights six actions that we believe will deliver growth and prosperity across the UK in the short and medium term:

1. Accept and deliver [University Alliance's blueprint](#) for Lifelong Learning
2. Streamline the regulation of degree apprenticeships
3. Bring our universities to the table for NHS workforce planning
4. Integrate R&D into regional economic development
5. Put innovation at the heart of research collaboration
6. Prevent regulatory barriers to international higher education exports

These actions must be underpinned by a long-term plan for sustainably funding and growing higher education capacity in the UK to meet increasing demand from employers, learners, and our international partners.

FILLING THE HIGH-LEVEL SKILLS GAP

The Learning and Work Institute estimates that by 2030, England faces a deficit of high skills amounting to around 2.6 million people. Employers have reported a 20% growth in the number of graduate job vacancies in 2022 alone. There is demand from learners in the UK to develop the skills that employers need: UCAS is expecting a 40% increase in demand for higher education from UK based 18-year-olds by 2026.

To meet demand and fill the skills gap, the UK government should:



Action 1: Accept University Alliance's blueprint for Lifelong Learning

The UK's HE funding model was designed for a very different economic landscape. It is no longer fit to meet the needs of the Treasury, taxpayers, students, or universities. The UK government's Lifelong Loan Entitlement is a revolutionary intervention which could secure the growth and longevity of the UK's knowledge, skills and innovation base. Our LLE blueprint describes what needs to happen to achieve these objectives.



Action 2: Streamline regulation of degree apprenticeships

UCAS forecasts that by 2026, the number of young students with both a degree apprenticeship application and undergraduate application will increase to 65,000. Burdensome regulation from multiple agencies is currently hindering universities and employers from scaling up the higher and degree apprenticeships offer to meet this demand. It is time for a rationalisation of the regulation of degree apprenticeships to ensure efficiency and value for money.



Action 3: Bring our universities to the table for NHS workforce planning

Technical and professional universities could play a much more significant role in delivering long-term healthcare workforce planning if they were consulted with in a more strategic way by government and the NHS and had a seat at the table at key decision-making bodies, for example the Integrated Care Boards (ICBs) of the newly created Integrated Care Systems (ICSs).

DELIVERING REGIONAL GROWTH & PROSPERITY

Alliance universities are a longstanding, stable presence in their regions and utilise their networks to act as hubs of research and innovation activity. If small businesses can't grow, neither can the UK economy. Alliance universities invest extensively in supporting high-potential innovative businesses to scale and grow and they help increase SME investment in R&D through long-term relationships with small businesses that progress up the innovation chain. Universities will play a vital role in unleashing innovation to deliver economic opportunity in places across the UK.

To deliver regional growth and prosperity, the UK government should:



Action 4: Integrate R&D into regional economic development

The upward trajectory to 2.4% of GDP and multi-year budgets for R&D funding are essential to the benefits of research for communities. The government should recommit to increasing R&D investment outside the Greater South East by 2030 and urgently review how research and innovation can be further integrated into regional economic development. Universities leverage EU Structural Funds to deliver impactful regional innovation. If follow-on funding is not provided, the loss of these programmes in 2023 will result in a reduction in R&D intensity in some regions.



Action 5: Put innovation at the heart of research collaboration

We hope the government is successful in securing UK association to Horizon Europe and that all avenues to this outcome are exhausted. Meanwhile, innovation support should be a key part of plans for Horizon Europe alternatives and international R&D collaboration, including removing barriers to SMEs participating in collaborative projects; prioritising schemes for doctoral training that increase porosity between academia and industry; and growing international university-business networks to attract more investment to the UK.

TURBO BOOSTING THE UK'S GLOBAL AMBITIONS

The UK's world leading higher education sector is a great British success story, attracting approximately £17.6 billion in export value and priceless soft power benefits to the UK every year. Unleashing the international ambitions of UK HE would deliver economic growth and strengthen the UK's position on the world stage.

To unleash the international power of our universities, the UK government should:



Action 6: Prevent regulatory barriers to international higher education exports

As key competitors raise their global ambitions, the UK cannot afford to be complacent.

Maintaining a competitive advantage - and meeting the government's aims of increasing both education exports and international students- will require proactive and sustained support and joined-up policymaking from government. Too often, regulatory approaches by the Office for Students in England, for example, are designed without the international context in mind. This is an especially significant barrier for Transnational Education as a UK export product.

As part of the delivery of the International Higher Education Strategy, government should consult thoroughly with universities on any regulatory barriers to internationalisation and commit to addressing these to maximise growth.

