

Higher Education South East (HESE) response to the South East Regional Assembly Select Committee: the global Challenge and Global Regions.

This response deals with the 9 questions posed by the Select Committee on SEEDA's work dealing with global challenges facing the South East region. As a body which attempts to reflect a collective view from the 24 universities with a presence in the region this response has focussed mainly on the role of universities as regional partners in addressing the global challenge.

1. Are SEEDA's limited resources prioritised appropriately and enough effort spent on lobbying central government to keep the South East engine of growth running?

In general, yes. SEEDA lobbies effectively with central government, and is active in encouraging stronger links with the other two Greater South East regions to add weight to the lobby for growth. It will face new challenges under the 2010 reforms in coordinating local government economic strategy and we hope that the impetus for growth for our region will not be slowed with less of a single <political> voice in favour of growth provided hitherto by the Regional Assembly.

2. Is there sufficient coherence between the economic development agenda and the spatial/physical planning framework?

The reforms under the sub- national review give both these responsibilities to SEEDA with the aim to improve this coherence.

3. Is there enough engagement of businesses in purposeful dialogue on Global challenges?

Probably not. SEEDA admits its difficulties in creating a meaningful dialogue with business across the region. Most such dialogue still takes place through the representative bodies eh CBI, IOD, FSB, Chambers etc which are now more used to working regionally. Perhaps this is simply the way business prefers to operate.

However in its development of innovation networks for globally oriented SMEs- Sector Consortia, Enterprise hubs, Innovation networks and advisory services SEEDA can fairly claim to have made sure that the message of global competition has reached these-probably already outwardly oriented- SMEs. The challenge remains with businesses which have not yet faced up to global competition but the and where innovation may be more focussed on process than knowledge intensiveness. Universities are increasingly aware that to engaging in knowledge transfer with such SMEs requires close networking based on a consultancy relationship. There are many examples of this in the South East- Brighton with Profitnet, Surrey and Southampton with SET SQARED to name only two

4 How effective are SEEDA's policy formulation skills in a rapidly changing world?

Universities have commented that the new RES and its Implementation Plan are a step change in strategic thinking from their predecessors. In this context SEEDA has kept up. However in the particular area of science and technology universities remain unsure whether the work of SESETAC has sufficient capacity for its professional implementation as well as strategic thinking rather than short lived initiatives. SEEDA's existing STEM unit is stretched.

5. Are the scale and shape of inward investment efforts appropriate for the region?

This is not a question HESE can competently answer. However, in the workshop we ran for the Inward Investment operation of SEEDA/UKTI last summer with our member universities it was clear that while some universities had been closely involved as partners in FDI work, other had not and felt they had something to offer. It may be that SEEDA/UKTI need to involve local authorities more closely in their sub- regional promotions and in this way invite universities which have a close relationship with their local region and plenty to incentivise potential investors even though they may not be significant national research players.

6. Could more be gained from international networking?

Definitely yes. See 8 below.

7. Is the South East marketed and branded to best effect?

To achieve what? Must be the response to this. If the comparison is with the strong regional branding achieved by, say, the West Midlands or Northeast in their trade missions- where universities are pleased to join the effort since their own international recruitment is underpinned by this branding- the answer is no. No South East trade mission has taken place, to our knowledge, where universities have joined under a generic South East banner as opposed to generic trade promotions or exploratory visits (eg SEEDA's exploratory visits to China and India).

Again, nature of the region with no comparable cities to Birmingham or Newcastle in the examples above, makes branding difficult, a concern shared by HESE universities which generally promote themselves as within easy reach of London's world attractiveness but with a richer, greener and less pressured lifestyle. The GSE approach is probably a sensible way forward on the branding question.

8. Does SEEDA maximise the potential of universities as a resource for addressing the global challenge?(Incorporates Q9 on skills)

Here I have chosen to work through the relevant sections of the SQW context and issues paper as below to provide a structure to our response:

- a. Consultation. The paper included comments from the Chair of HESE, Professor Julian Crampton, VC of the University of Brighton who also sits on SESETAC, as well as individuals from the Universities of Reading and Surrey. This is a reasonable cross-section of Universities in the region.
- b. 2.3, 2.8 and 3.5 stress the needs for cross – cultural and linguistic skills to engage with the global challenge. There is a concern among universities that SEEDA pays lip service to these skills which are increasingly essential in collaborative activities with countries rapidly developing their knowledge base. The assumption that monoglot English language skills will see the South East through is not borne out by our relatively limited success in, for example, the extensive Spanish and French speaking markets and our competitors work harder at competency in Chinese and Arabic too. International banks in London recruit from the EU because they need the fluent speakers of world languages they have difficulty finding in our region. This nettle needs to be grasped and properly funded.
- c. We agree with the three key areas in which universities need to work in regional partnership to improve the South East's competitive position, namely:
 - Collaborating to innovate across borders
 - Raising skill levels to match the leaders of the global economy
 - Creating an entrepreneurial spirit that seeks out new opportunities.
- d. 3.11 Global regions. We note that the original concept has been integrated into the new RES and has largely been rethought. It was, at times a confusing and slippery concept which was never developed as it could have been. Universities have extensive international links with partner institutions, business and their alumni who often hold senior positions in key trading partner countries. Not all of these extensive connections could be used to help develop the region's international networks- some are commercially, data protection or research restricted and some links are personal rather than corporate- but many could be so developed given focus and clear long term intent. HESE and its member universities stand ready to work more closely in this area and to achieve a better mutual exchange of information with SEEDA and other regional colleagues on the rich international experience of all our universities.
- e. 3.12. We note and agree that the sector consortia are sensible vehicles to develop international commercial networks. Universities are active in most of these consortia and welcome increased involvement alongside businesses in these sectors. Again, international research links where relevant could provide substance to these international links.

- f. 3.14. Inward investors are important clients for universities who work with them in many areas- graduate and postgraduate employment, consultancy, joint research, KTPs and spin- outs to name but a few. We understand that the ESRC may support some extensive research in the links between international investors in the region and the knowledge base and welcome this. HESE played an active part with SEEDA in lobbying for the successful EADS/Airbus R&D investment in Portsmouth and a significant number of our universities are in dialogue with a major, established, investor-Pfizer- on a closer match between their needs for life science and pharma professionals graduating from South East universities.

- g. 3..22 touches on the Innovation Action Plan on which SESTAC advises. SESETAC includes senior representation from 4 HESE universities. Generally the activities under this head have been welcomed, within the limited budgets SEEDA commands. HESE is currently active in commissioning a consultancy into the universities' capacity to develop a proposed Innovation Campus, for example.

- h. 3.26 contrasts SEEDA's relations with its universities with those of some other RDAs. There is a general concern among HESE members that, collectively, SEEDA does not engage with its universities as professionally as it might and therefore gets less out of them than it ought to. The absence of sustained contact between SEEDA's Chair and Chief Executive and HESE's elected Board is sometimes quoted as an example of what seems to be an unwillingness to engage at this level, although working level contacts and relations between SEEDA and individual HEIs- where they exist- are excellent. New HEFCE- funded projects led by HESE but working closely with SEEDA in the relevant areas to this Scrutiny of:
 - Creative cities and towns in the South East
 - The Greater South East and higher education
 - Employer engagement in higher level skills
 provide useful ways of engaging the broad membership with aspects of economic development.

In summary, therefore. SEEDA has made significant steps in the new RES in recognising and developing the potential of universities as a resource for addressing the global challenge. The universities are not only numerous but highly varied in mission and the challenge of working collectively should not be underestimated. Nevertheless there is an impressive higher education powerhouse in the South East, currently under- utilised.

