

## Prosperity and Economic Development Scrutiny Committee - University City: 26 October 2011

### **1. About North East Chamber of Commerce**

The North East Chamber of Commerce (NECC) is the North East's leading business membership organisation and the only regional Chamber of Commerce in the country. We represent more than 4,000 businesses located in Northumberland, Tyne and Wear, Durham and Tees Valley. Our members are drawn from all sizes of business across all sectors and employ about 30% of the region's workforce.

### **2. Summary**

- The business community recognises the significance of universities within our economy
- In an environment of upheaval within university funding, increased collaboration is essential
- Partners across the city need to be ready to enable and facilitate this collaboration

### **3. North East Perspective**

The North East's universities occupy a key role within our regional economy. The contribution of students, both local and international, and those who choose to work in the region after completing their studies, helps shape the North East's economy and its culture. Clearly, our universities also play a pivotal role in training the future workforce through their academic provision and by collaborating closely with businesses.

There is a clear role for the North East's world-class universities to work with businesses and improve skill levels and regional growth. Workforce skill levels are a critical contributor to the success of any business, and many within the North East suffer from skills shortages - despite the increased levels of unemployment that are a feature of recent economic turmoil. - and require up-to-date high level skills to remain innovative. By implementing a few simple reforms to increase the ease of interaction between universities and businesses, successful collaboration projects can become the norm.

### **4. Sunderland as a university city**

The University of Sunderland is a tremendous asset to the city and a major contributor to the local economy. However, it could be argued that this contribution is not as well recognised as in other cities in the North East.

The obvious contribution to the city's economy made by thousands of students every year is the most tangible (and easy to measure) benefit. A large proportion of the income of many businesses in the leisure, retail and catering industries will be derived from the student population and this is essential for a vibrant city centre and night time economy. However, in tight economic conditions and with forthcoming changes to tuition fees, it is not easy to predict how this trend will continue.

To focus on a university as simply a place for educating students is to severely limit the potential benefits to the local economy. With high spec facilities and cutting edge research the

potential for partnership with the private sector is huge. While the University of Sunderland is highly proactive in this area, there is always more that can be done.

Other partners in the city must also recognise the role the university has to play. Any future economic planning should seek to leverage and build upon the strengths and expertise of the university both in terms of developing specific industry sectors (such as low carbon, software and design) and in the intelligent use of shared spaces and facilities. The Economic Master Plan does this to some extent, but the business community is now looking for those words to be put into action.

## **Contact**

For further details on any of these issues, please contact NECC Head of Member Relations Jonathan Walker on 08450 768 332, or [jonathan.walker@necc.co.uk](mailto:jonathan.walker@necc.co.uk)

**13 October 2011**