LAMBERT REVIEW OF BUSINESS – UNIVERSITY COLLABORATION

The University of Lincoln welcomes the opportunity to participate in the consultations surrounding the Lambert Review.

The issue of business-university collaboration is important to us, and the communities we serve. The University is committed to expansion in this field of activity. It is very important that the Government continues to refine its policies to foster such collaboration on the basis of detailed and effective consultation with all the relevant participants.

The Lincoln Context

Universities, as businesses in their own right, have a massive impact on the local economies in which they are located. This is particularly evident at Lincoln, where a state-of-the-art campus has literally risen from wasteland since 1996, and is widely recognised to be the single most important stimulus to economic regeneration in the city.

An independent impact study commissioned by the Lincolnshire Training and Enterprise Council in 2000 has documented the scale of the benefits to Lincoln and the surrounding county. The full implementation of the university's strategic plan is estimated, through direct and multiplier effects, to raise the GDP of Lincolnshire by £65 million per annum and generate 1,800 jobs. The report says "the direct impacts are comparable in size to those of very large inward investment projects".

The private sector has responded strongly to the university's growth. The local service sector, particularly in leisure, retailing and entertainment has boomed, and developers have made a substantial contribution to purpose-built student residential accommodation. The university has been a very strong factor in building confidence in the Lincoln economy and generating a favourable climate for investment.

Responses to the Consultation Questions

1. BEST PRACTICE - AND EXAMPLES OF EXCELLENCE

• This University has an excellent history of collaboration with companies such as Air Products, initially in the area of food science and technology but more recently opportunities in the healthcare area have developed. This has been beneficial on both sides with the company being able to have access to research results, which are of potential commercial benefit and the University having the experience of working in collaboration with a major company. Further benefits include involvement of the company in collaborative EC and other projects, publication of research results in peer-reviewed journals and

income generation. The link with the company developed as a result of the expertise of the University being recognised and awareness of the benefits of knowledge and technology transfer from the University.

- With strong financial support from the East Midlands Development Agency the University is the lead partner in a Media and Creative industries cluster located in Lincoln. This has a number of elements including a very strong university department of Media Production with excellent broadcast standard digital television, radio and multimedia facilities; a dedicated business incubator with the capacity to support 18 spin-out businesses; the Lincoln Media Development Agency (with strong links to regional arts and film funding bodies); and a proposed digital archiving operation to be established on campus by a multi-national media group. Lincoln is over-dependent on a small number of traditional industrial sectors, and this new cluster initiative is providing much needed business diversification.
- From our Riseholme Park campus with its animal science facility, equestrian centre and 1000 acre farm, the University makes an important contribution to the rural economy and the economic challenges of competitiveness in the agri-food sector and farm diversification. Elsewhere, at Holbeach in the south of Lincolnshire a partnership with the County Council and the LSC has been formed which is investing in new and refurbished campus buildings and equipment because of the strategic significance to the food industry and remote rural communities
- The University's new Brayford Pool campus is a magnet for businesses using our facilities for informal meeting and conferences. For example, the Bank of England uses the venue regularly for presentations by members of the Monetary Policy Committee when publishing the quarterly "Inflation Report". These events typically attract 80 100 delegates from businesses within our region and give them an opportunity to inject their views into the national debate on monetary policy. The sub-regional strategic partnership, Lincolnshire Enterprise, chose to hold its launch event here. The venue is also popular with corporate customers including BSkyB which held its 2002 "Reach for the Sky" conference on campus.
- The University has developed a range of services providing opportunities for continuing professional development in both the private and public sectors. For example, a suite of flexible learning modules in management development has been produced which has proved to be popular and effective with SMEs. The University has a distributed network of on-line learning centres "Lincolnshire Regional Access Centres" (LRACs) which extend learning opportunities across our large hinterland. A recent development is the location of LRAC centres on the premises of food companies in Lincolnshire in order to

encourage and facilitate learning and skills development on an individual basis.

- On a more formal basis, the University manages a large portfolio of approximately 20 Teaching Company Schemes serving the knowledge transfer needs of a variety of industrial sectors.
- The University has worked with various SMEs in the agro-food sector ٠ on a number of projects with a number of funding regimes, including ERDF, EC "CRAFT", Teaching Company Schemes, MAFF Innovation Centre Funding etc. Projects have involved local companies such as "The Sauce Company" (EC CRAFT; ERDF – RECRAFT; TCS); "Ewe's Fayre" (ERDF 5b; EC CRAFT); Pollybell Farms (MAFF); The Pasta Company (EC INCO; TCS); Humber Growers (ERDF - RECRAFT); BlueCrest (EC CRAFT; ERDF - RECRAFT). In each case, the aim was to work with SMEs and demonstrate the potential for accessing and using external funding sources in order to move their business forward through underpinning by effective and appropriate R & D. These companies have been nurtured to act as partners in collaborative projects and some have used the University for product testing and product development. A licensing arrangement has also been developed with a company in the equine industry based on the development and use of University know-how.
- Product testing has also been undertaken for a range of companies, mainly in the agro-food area which has involved chemical and microbiological analysis. Some companies have also availed themselves of the pilot plant facilities within the University for product development exercises.
- LRAC, referred to earlier, has been established as a university spin-out company providing distance learning and consultancy services to businesses and the wider community.
- The University continues to hold an interest in a spin-out company, TekniCAL, which develops educational software including a Virtual Campus for distance delivery of FE and HE.
- The University has developed a specialism in forensic science and has developed a "scene of crime facility" which provides specialist training opportunities for police forces and other public agencies.

2. BARRIERS

• The University has an expanding range of productive relationships with industry but there are barriers, which can be identified.

- Whilst the advent of HEFCE "third stream" funding is to be welcomed, it has been implemented on an experimental basis with several different initiatives (HEROBC, HEIF, SEC, UCF etc). There is a need for greater stability and demonstration that this is indeed a permanent area, which HEFCE will support.
- In some areas of knowledge transfer SMEs are reluctant to pay the full cost of University services. A good example is environmental management. Due to the high public policy priority various forms of grant aid are available to subsidise university/business interaction in this field, but the SME "willingness to pay" is weak. Other fields such as management development and information technology services do not suffer from these same barriers.
- Smaller companies like to see demonstrable results and a track record before they commit. Established programmes such as TCS are popular and easier to sell to SMEs than bespoke consultancy.
- At a national level greater clarity concerning academic contracts in relation to IPR would be desirable, rather than leaving this to be determined locally.

3. ATTRACTING THE BEST GRADUATES AND POSTGRADUATES

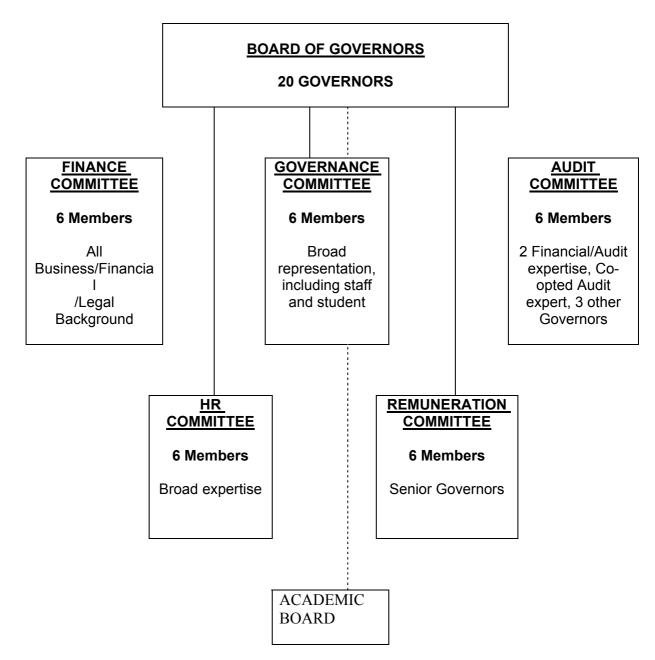
- Evidence of the success of universities in producing the graduates which companies want to employ can be gained from First Destination Surveys. For the University of Lincoln the 2002 FDS showed that 96% of our students had gained employment within 6 months of graduation.
- Schemes such as Science Enterprise Challenge (SEC) can open up wider career paths for science and technology graduates, giving them options for entrepreneurship and commercial exploitation of their knowledge, skills and intellectual property.
- Graduates in subjects such as Media Production are encouraged to develop entrepreneurial skills and are able to establish "live" business start-ups in a new custom-built incubator located on the Lincoln campus.
- Dialogue between industry and universities on graduate recruitment trends and curriculum innovations can be fostered by faculty industry liaison bodies, a level of interaction which can often be particularly rewarding because of subject relevance and common intellectual interests.
- Evidence from Alstom, Lincoln's largest private sector employer, suggests that the quality of graduates they recruit is good, and that they generally succeed in career terms within the company. Alstom puts

substantial effort into careful graduate selection and invests in a high quality graduate training programme. This builds upon the qualities and educational assets the graduates bring with them but does not rely upon them being fully business orientated from the outset of their careers. Alstom has good but generally informal links with several universities (including Lincoln) and through these is able to exert influence on some of the more specialised elements of certain degree programmes. The main complaint from this employer is the small and diminishing size of the pool of graduates from which they can recruit. Alstom believes that greater effort should be made during the earlier stages of education to equip students with more positive attitudes towards careers in manufacturing and engineering.

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N.B.: * Means retired



<u>Notes</u>

- The Governance Committee recommends to the full Board on an annual basis the composition, etc, of the Committees of the Board. To do this there is due regard to the Terms of Reference of each Committee and ensuring that there is a proper skills match.
- The University is managed by the Vice Chancellor, through a Core Executive comprising Senior Managers.
- All Committees meet at least three times a year.
- If it would be helpful, we would be willing to send to you the relevant Terms of Reference of each Committee. We can also provide more information showing Committee composition, etc.