

Kishor Tailor  
Chief Executive  
Humber Local Enterprise Partnership  
Wykeland House  
47 Queen Street  
Hull  
HU1 1UU

Monday 29 July 2019

Dear Kishor

**Re: Humber Industrial Strategy Prospectus**

Yorkshire Universities' (YU) core mission is to widen and deepen the contribution of the higher education (HE) sector to place-based development, and to build strong and effective relationships with public, private and voluntary sector partners. In doing so, we value the current frameworks that the UK Industrial Strategy and emergent local industrial strategies (LIS) provide.

The University of Hull is a key member of YU, which brings together twelve universities/HE institutions in Yorkshire and the Humber that have a shared commitment to building a more productive, inclusive and sustainable regional economy. The University of Hull and other YU members are also part of a broader network of institutions in the north of England that are central to realising the ambitions laid out in The Northern Powerhouse Strategy.

We are writing to provide some comments on the Humber Industrial Strategy Prospectus. Our remarks are designed to complement the contribution of the University of Hull towards the development of the Prospectus and the planned LIS.

YU welcomes the development of 'long-term, place-sensitive' development strategies – and that the Humber LEP has agreed with government to accelerate the development and publication of the Humber LIS. The LIS is right to build upon local assets and strengths, but also recognise the importance of wider geographies and the Humber's relationships with other LEPs. Multi-level and multi-layered geographies reflect the reality of business markets, supply chains and labour markets – helping to strengthen connections across and within Yorkshire and the wider north of England.

The focus on de-carbonisation – and the pursuit of a ‘just transition’ towards new energy sources – given Humber’s location, its environment and industrial profile and its significance to the UK, presents a real opportunity. The Humber is a major industrial cluster and has the potential to become a net zero-carbon cluster, working with other similar clusters in the north of England. Climate change is a major issue for the Humber. As recent large-scale flooding events in 2007 and 2013 demonstrate, the Humber is vulnerable to climate change with the second highest flood risk in the UK. Substantial investment in flood defence infrastructure is mitigating the risk, but more is required to protect homes and businesses.

The University of Hull and partners will support existing businesses to realise the potential of clean energy and develop the Humber’s proposition for attracting new investment. The role of the University of Hull in helping to attract inward investment in offshore wind, by companies such as Siemens, is an illustration of the importance of collaboration between different institutions and actors to facilitate investment underpinned by site and infrastructure assembly, skills development and job creation. Humber’s bid to the Strength in Places Fund, led by the University of Hull, should help to accelerate this approach.

Government intervention – in the form of targeted investment – has helped to create viable new markets, such as those in offshore wind. We would encourage government mechanisms to recognise the long-term and broader concept of value when assessing ‘returns’ on public and private investment. Although Humber receives limited direct mention within the National Infrastructure Assessment (NIA), sectors of relevance, such as renewables and offshore wind, are referenced heavily throughout the document. We would encourage the NIA and government’s response to the assessment to recognise the contribution of the Humber to the UK economy and the benefit of infrastructure investment in the region. Non-technical innovations, such as reducing tolls on the Humber Bridge appear to have generated a significant impact – and provides evidence that positive outcomes can materialise through changes to existing infrastructure business models. However, new infrastructure investment – including a commitment by government to invest in Northern Powerhouse Rail and improve connections to Leeds, Manchester and Liverpool – are also vital.

It is important that the wider evidence base that has been gathered to support, in part, the LIS is also utilised to support a broader strategic economic plan for the Humber. Understandably, the LIS focuses on productivity – reflecting the government’s priorities – and the Humber LIS is expected to adopt the government’s five foundations. However, creating better-paid jobs both within and outside specific key industrial sectors is key to addressing spatial inequalities. Legacy issues means that the Humber still faces significant challenges, with a need to create more and better-paid jobs. And the foundational elements of society and economy, including health and housing also matter, as these interventions are felt most directly by many people.

We welcome the focus in the proposed LIS on product and process innovation and the commitment to support wider and deeper innovation diffusion and to create new business opportunities. Specialisms based at the University of Hull and other research centres, covering healthcare technology, pharmaceuticals, energy and low carbon, environment and water management, and logistics, provide a platform for further growth and the creation of higher skilled jobs. We would encourage the Humber LIS to strengthen the alignment between the planning and investment of skills and innovation.

The Humber is particularly exposed to a no-deal Brexit, and new border checks could impact on local ports. Regarding free ports, it is important that such measures generate net benefits. There is international evidence that the performance of certain special economic zones (SEZs) are neither a precondition nor guarantee for higher inflows of foreign investment. Although there is scope for free ports to shape an export-oriented place-based regional development programme, measures are needed to counteract the possible displacement of economic activity from other local and regional places outside a designated zone. In addition, a wider set of instruments other than just free ports/zones should form the spectrum of LIS interventions.

The University of Hull presents a clear example of how a 'civic university' supports local and regional development within specific places. The University brokers and catalyses strategic partnerships to enable growth within Humber to occur. The University interfaces with the city of Hull and the wider area in a number of ways to help create productive businesses and inclusive and vibrant communities.

First, the University is helping to address UK Industrial Strategy Grand Challenges and helping to provide a pipeline of skills, working in partnership with other parts of the tertiary education system, including further education, and with employers. Low skilled occupations account for 23% of jobs (higher than the national average); 'higher skilled occupations' account for just under 37% of jobs – again lower than the national average. The long-term challenge is to increase the number of highly-skilled jobs across the Humber, with an additional 42,900 highly-skilled jobs needed to match the national average. The University of Hull can play a pivotal role in attracting talent to the region and encouraging more young people from the region to enter HE. The loss of 18-23 year olds from the Humber – and the challenge of retaining graduates – is linked to the lack of demand in the local labour market. There is a need to create more high-skilled jobs that both attract and retain people (specifically younger working age people) with higher qualifications.

Second, the University of Hull is central to place promotion and raising the profile of Hull and the Humber nationally and internationally, with the University's work with Marketing Humber an example of this approach. The Capital of Culture 2017 initiative saw the University play a prominent role, and illustrated how arts, culture and creative industries shape place-making. The University of Hull focuses on both local and global scales and is embedded both as an anchor institution and also a HE institutions with global impact in teaching, research and knowledge exchange.

Third, the University of Hull is leading Project Aura and provides research and expertise on a wide range of issues. The University has been central to mapping innovation assets through

Science and Innovation Audits on offshore energy, bio-economy and chemicals. Diversification (e.g. degree apprenticeships and a greater focus on technical skills) is a feature of the University's activity, and helps to ensure that the University delivers value for employers. The University of Hull manages one of the few HE-led scale-up programmes in Yorkshire, supporting businesses to expand and realise their growth ambitions. Interventions directed towards supporting innovation achieve greatest impact when they adopt a collaborative and systems-based approach. The concept of Humber as a 'Living Lab' is central to the co-production and diffusion of applied R&D and innovation for economic, social and environmental benefits.

We wish you and your team every success in preparing the final LIS, and YU stands ready to support the University of Hull and local partners to deliver the priorities and actions set out in the strategy.

Yours sincerely



**Dr Peter O'Brien**  
**Executive Director**

[p.obrien@yorkshireuniversities.ac.uk](mailto:p.obrien@yorkshireuniversities.ac.uk)