



OXFORD
ECONOMICS



THE ECONOMIC IMPACT OF THE UNIVERSITY OF THE WEST OF ENGLAND



THE STUDENTS'
UNION
AT UWE

1

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UWE BRISTOL'S IMPACT ON THE WEST OF ENGLAND'S ECONOMY

UWE Bristol is the largest university in the West of England, with over 27,000 students and supporting over 8,000 jobs in the region

2014/15

OVER
27,000
STUDENTS



DIRECTLY EMPLOYED
3,549 STAFF



SUPPORTED OVER
8,280 JOBS IN THE REGION

1,600
NEW STUDENTS
FROM LOW
PARTICIPATION
AREAS



£400 MILLION
CONTRIBUTION TO THE
WEST OF ENGLAND
ECONOMY



TOTAL TAX CONTRIBUTION
£88.7 MILLION
TO THE UK EXCHEQUER



6,722 STUDENTS GRADUATED FROM
UWE BRISTOL, INCLUDING:

934 nurses/health
professionals

373
engineers

250
computer scientists





EXECUTIVE SUMMARY

8,280 jobs

Supported by the University of the West of England and its students in the West of England in 2014/15.

This is equivalent to one in every 79 jobs in the local area.

This report describes the economic impact of UWE Bristol focusing in particular on the West of England. This includes the four local authorities of Bath and North East Somerset, the City of Bristol, South Gloucestershire and North Somerset—the area covered by the West of England Local Enterprise Partnership.

UWE Bristol is the largest university in the South West with over 27,000 students, 250,000 alumni and 3,000 staff. Its students come from all over the UK, and from 140 different countries around the world, adding to the diversity of both UWE Bristol and the local community.

This work explores the contribution that UWE Bristol made to its local economy in 2014/15 (the latest date for which comprehensive data are available), in terms of the jobs and the GDP it generated but also in the considerable contribution that it made to public finances through the taxes that accrued to government as a result of its activities.

UWE Bristol supported over 8,280 jobs in the West of England in 2014/15—equivalent to one in every 79 jobs in the area.

The University itself employed 3,549 people. In 2014/15, an additional 1,330 jobs were supported in the University's supply chain and through the wage-financed expenditure of its staff and those in its supply chain. This means that UWE Bristol had an 'employment multiplier' of 1.37: for every 100 jobs at the University, it generated another 37 jobs elsewhere in the local economy. Students' subsistence expenditure and visitors to the University's students supported a further 3,400 jobs.

The University's employees are concentrated in the local area. In 2014/15, 2,830 of the University's staff (80 percent of the total) lived in the West of England area. Another 410 (or 12 percent of the total) lived in the wider South West. The University employs people across the skills spectrum. Half of the staff were academic staff employed in faculties, with the remainder providing services.

In total, the University is estimated to have generated a gross value added contribution of over £400 million to the West of England's GDP in 2014/15. This is equivalent to 1.3 percent of the city-region's economic output. Of this, the University itself contributed £241 million and the University's additional students and their visitors contributed the remaining £159 million.¹

In 2014/15, UWE Bristol supported a total tax contribution of £88.7 million to the UK Exchequer. Some £52.7 million was directly generated by the University itself—equivalent to £47 for every resident in the West of England. This included national insurance contributions paid by both the University and its employees, income tax, indirect taxes (such as VAT) and council tax paid by staff. To give an indication of scale, the £88.7 million contribution to tax revenues is sufficient to pay for the Avon Fire Brigade's running costs for almost two years.

In 2015, 6,722 students graduated from UWE Bristol, meeting the needs of businesses and other employers in the West of England and beyond. They included 934 nurses and other health professionals, 373 engineers, and 250 computer scientists. Over 96 percent of UWE Bristol graduates were in work or further study six months after leaving the University compared with 94 percent nationally. Some 78 percent of graduates were employed in managerial and professional roles compared with 71 percent nationally.

£400.1m

Economic contribution to the West of England economy in 2014/15.

This is equivalent to 1.3 percent of the economic output in the area.

¹ Additional students include students who came from outside the West of England to live in the area while studying and students originally from the West of England who chose to stay because of the University.

1. INTRODUCTION

In educating students across a broad range of disciplines—from arts to health sciences and law; business to engineering—UWE Bristol undertakes a range of expenditure that stimulates economic activity across a broad spectrum of industries in the West of England.

This report investigates the economic contribution that UWE Bristol, its students, staff and visitors make to the West of England.² It does so by looking at the additional expenditure the University and its students bring to the local area. This in turn boosts employment, output and tax receipts at many businesses across the city-region.

To investigate this contribution, each chapter of the report looks at a different metric:

- Chapter 2 examines the University’s contribution to employment in the city-region in 2014/15 as a result of the spending impacts that are outlined in the box on page 8.
- Chapter 3 investigates the gross value added contribution to GDP supported by the expenditure of the University, its students and their visitors.
- Chapter 4 calculates the contribution to public finances that flows from the economic activity stimulated by the expenditure of the University, its students and their visitors.
- Chapter 5 sets out the University’s contribution to the supply of graduate skills and the particularly high proportion of UWE Bristol graduates who secure employment.

It is, however important to remember that the University’s contribution to the city-region and its economy goes far beyond these immediate impacts. While no attempt is made to quantify these non-expenditure related contributions, the strong and growing importance of the University and the active part it plays in the development of the city-region and the wider South West should be acknowledged.

² The West of England city-region includes the local authorities of Bath and North East Somerset, Bristol, North Somerset and South Gloucestershire—the same area is covered by the West of England Local Enterprise Partnership. It has a population of over 1.1 million people and economic output of some £29 billion.

UWE Bristol is strongly committed to 'Research with Impact', with the objectives of "World-class performance in selected areas of research that meets the needs of a sustainable economy and society and feeds the scholarship and enquiry underpinning our learning and teaching."³ According to the results of the 2014 Research Excellence Framework (REF), 61 percent of all research at UWE Bristol was considered to be 'internationally excellent' or 'world leading' in quality while 79 percent was rated as having a 'considerable' or 'outstanding' impact in economic and social terms.⁴ The recently published Guardian University League Tables 2017 showed the University rising 11 places from last year, reflecting increased student satisfaction with the quality of teaching, feedback and assessment by lecturers, and also increasing numbers of graduates securing professional and managerial jobs.⁵

Its broad partnerships with industry and its commitment to the widening participation agenda secured the University praise in the 2015 QAA review.⁶ UWE Bristol also helped to win Bristol recognition as the European Green Capital for 2015, creating a wide range of opportunities for the whole city-region.⁷

The University makes a major contribution to innovation, knowledge exchange and business growth. UWE Bristol's iNet innovation programme supported around 1,650 businesses, generating nearly 1,000 jobs, more than 500 new products and £28 million in gross value added. Other fast-growth high-technology businesses have benefitted from Innovation for Growth, a £7 million R&D support scheme run by UWE Bristol and financed by the government's Regional Growth Fund, now in its second phase. In September 2016, UWE Bristol opened 'Future Space', one of only four University Enterprise Zones nationally, which provides business acceleration, start-up and grow-on space for businesses and promotes collaboration between businesses and university researchers.

With a large-scale commitment to the training of nurses and other health professionals, and strong research in health and applied sciences, the University works particularly closely with local health trusts, Bristol Health Partners and the local Academic Health Science Network.

The University's 3,500 staff and 27,800 students also contribute to the local community through UWE Bristol's volunteering programme. The University promotes volunteering opportunities in a number of fields, ranging from creative to conservation projects. Across the board, students are encouraged to share their skills and broaden their life experience to help others; for example, computer science students have the chance to share their expertise at IT schools for the elderly in the local community.

UWE Bristol is also working to address inequality in access to higher education across the region, where participation in higher education ranges from five percent in some areas to 90 percent in others. The University is one of the UK's largest investors in widening participation, having committed £15.8 million in 2014 to promoting access and supporting students from disadvantaged backgrounds. More than 1600 new entrants to UWE Bristol each year come from backgrounds with low participation in higher education. The UWE-funded West of England Children's University delivered by UWE Bristol encourages more than 2500 children to take part in learning outside of school.

³ UWE Bristol, "UWE Research Strategy 2020", January 2016.

⁴ "Research Excellence Framework (REF) 2014".

⁵ The Guardian, "University league tables 2017", 23 May 2016.

⁶ Quality Assurance Agency for Higher Education, "2015 QAA Review".

⁷ Vice-Chancellor UWE Bristol Professor Steve West, "Civic Leadership, Innovation and Economic Growth", *Powering the Knowledge Economy: Universities, Cities, Innovation*, Universities UK Conference Woburn House Conference Centre, 3 March 2015.

INTRODUCTION TO ECONOMIC IMPACT ANALYSIS

This study undertakes a standard economic impact assessment of three forms of expenditure that flow out from the University, stimulating economic activity across the city-region (Fig. 1).⁸

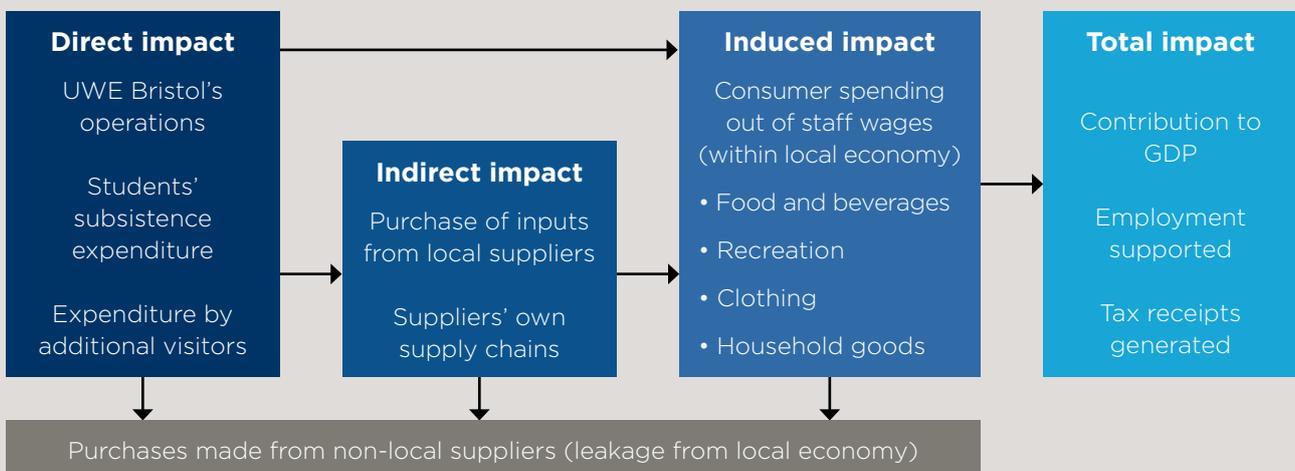
- The first channel of impact is the **direct effect**. This is the economic activity generated by the University itself, for example by employing academic and operational staff and by generating economic activity through its payment of wages and generation of surpluses. The University also attracts students who, in turn, attract visitors to the West of England. Their spending stimulates additional economic activity.
- The second channel of impact is the **indirect effect**, which is the employment and activity which is supported through the University's local supply chain, as a result of its purchases of inputs of goods and services from local suppliers.
- The final channel, known as the **induced effect**, captures the economic activity supported by staff and those employed in direct supply chains spending their wages on goods and services in the local economy.

The indirect and induced impacts are calculated using multipliers derived from local input-output tables, by combining ONS (2014) UK-wide input-output data with a technique developed by Flegg, Webber and Elliot (1995).⁹ Employment and tax estimates are calculated using ONS labour productivity data, average earnings in industrial sectors and tax allowance rates for 2014/15.

The scale of the University's impact for each channel is measured using three metrics:

- **Gross value added:** Gross value added is the contribution an institution or company makes to gross domestic product (GDP). It is most simply viewed as the value of the output it produces less the value of bought-in inputs used up in that output's production.
- **Employment:** measured in headcount terms rather than on a full-time equivalent (FTE) basis to facilitate comparison with ONS employment data.
- **Tax receipts:** this study considers the receipts generated from Income and Corporation taxes, employee and employer National Insurance contributions and other indirect taxes paid by employees (such as VAT)

Fig. 1: The channels of economic impact



⁸ The results are presented on a gross basis. The analysis does not factor in any displacement from other institutions or firms, substitution through time, or what the resource could alternatively been deployed to do.

⁹ ONS, Input-output analytical tables - 2010, ed. Richard Wild (Newport: ONS, 2014). Flegg A. T., Webber C. D., and Elliott M. V., "On the appropriate use of location quotients", *Regional Studies*, 29 (1995): 547-61.



2. EMPLOYMENT CONTRIBUTION

2.1 TOTAL EMPLOYMENT

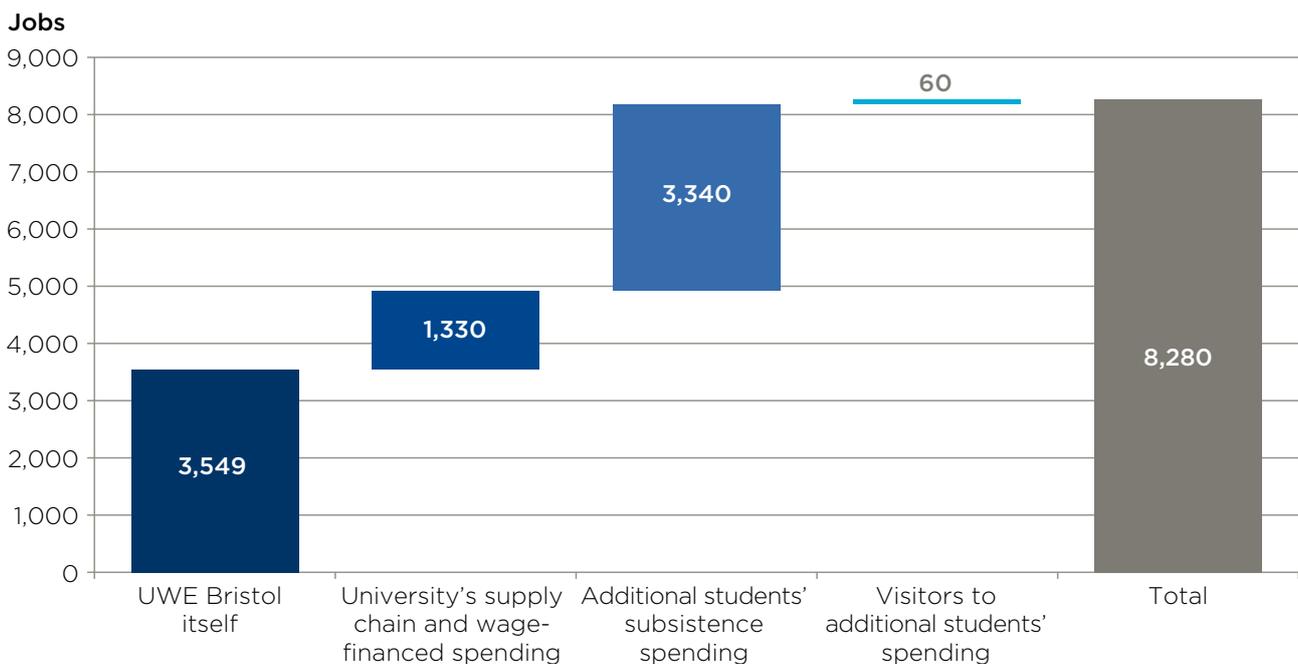
The presence of the University stimulates employment across the West of England by bringing additional expenditure into the economy. The University employs people, it purchases goods from local suppliers, and it pays wages which get spent in local retail and leisure outlets. Its additional students undertake expenditure and their visitors pay for accommodation and food, etc.¹⁰

In 2014/15, including all impact channels, UWE Bristol and the students it attracts to the locality supported around 8,280 jobs in the West of England. The equivalent of one in every 79 jobs in the city-region was therefore dependent on the University's existence.

The University itself employed 3,549 people in 2014/15. Its procurement and payment of wages supported a further 1,330 people in employment in the West of England (Fig. 2). This means that UWE Bristol had an employment multiplier of 1.37 in the city-region; for every 100 jobs at the University itself, it supported an additional 37 elsewhere in the West of England economy.

Additional students' subsistence spending and their visitors' spending supported 3,340 people in jobs in the city-region in 2014/15. This is 41 percent of the total employment impacts attributable to UWE Bristol in the local economy.

Fig. 2: UWE Bristol's total employment contribution, 2014/15



Source: Oxford Economics

¹⁰ The number of students attracted to UWE Bristol from outside of the West of England plus an estimate of the number who would have left to study elsewhere were it not for UWE Bristol's presence.

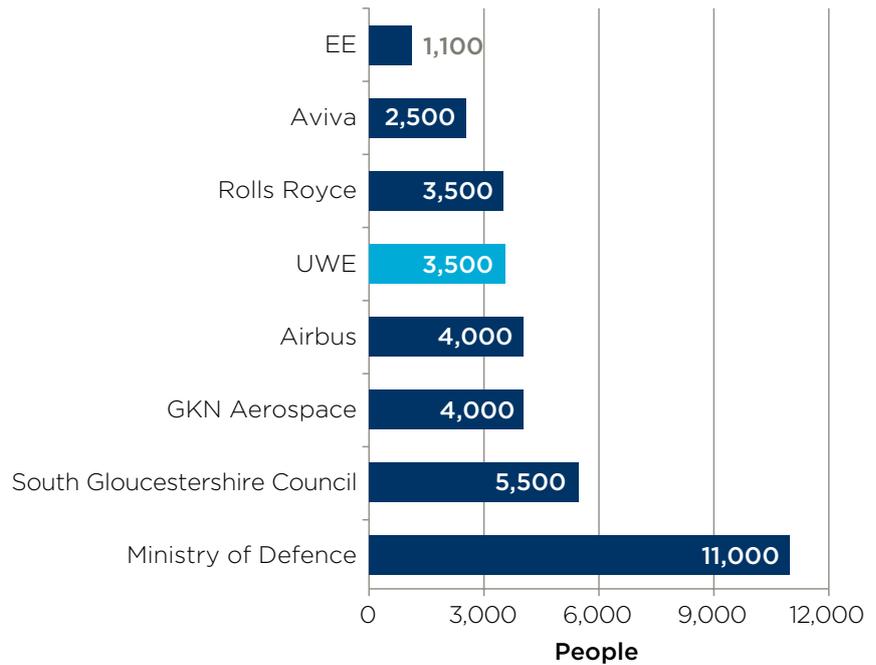
2.2 THE UNIVERSITY'S OWN EMPLOYMENT

The University itself has a large workforce, making it a major employer in the West of England. In 2014/15, it employed 3,549 people at its campuses, comparable to major local employers such as Airbus, GKN or Rolls Royce (Fig. 3). This was equivalent to the total number of people who work in sport facilities (3,500 people) or insurance agencies (3,600 people) in the West of England as a whole.¹¹

UWE Bristol has also been a particularly stable source of employment over recent years, at a time when other employers locally have seen significant reductions in their overall workforce. UWE Bristol employed virtually the same number of people in 2015 as it did in 2008.

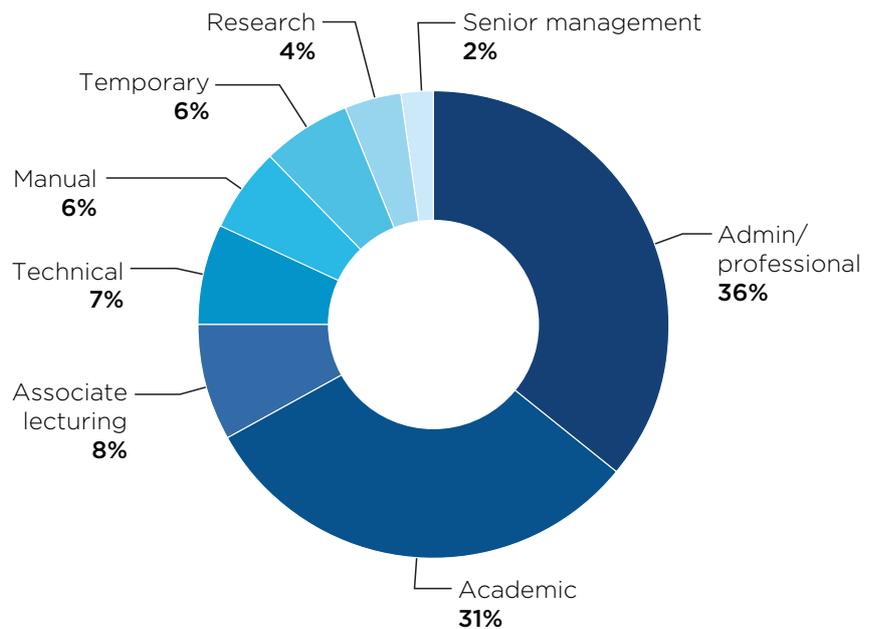
UWE Bristol also provides employment right across the skills spectrum (Fig. 4). Roles range from manual, to academic, to the senior management team.

Fig. 3: UWE Bristol's staff number compared to major employers in South Gloucestershire¹²



Source: UWE Bristol, South Gloucestershire Council

Fig. 4: Staff by major category, 2014/15*



Source: UWE Bristol

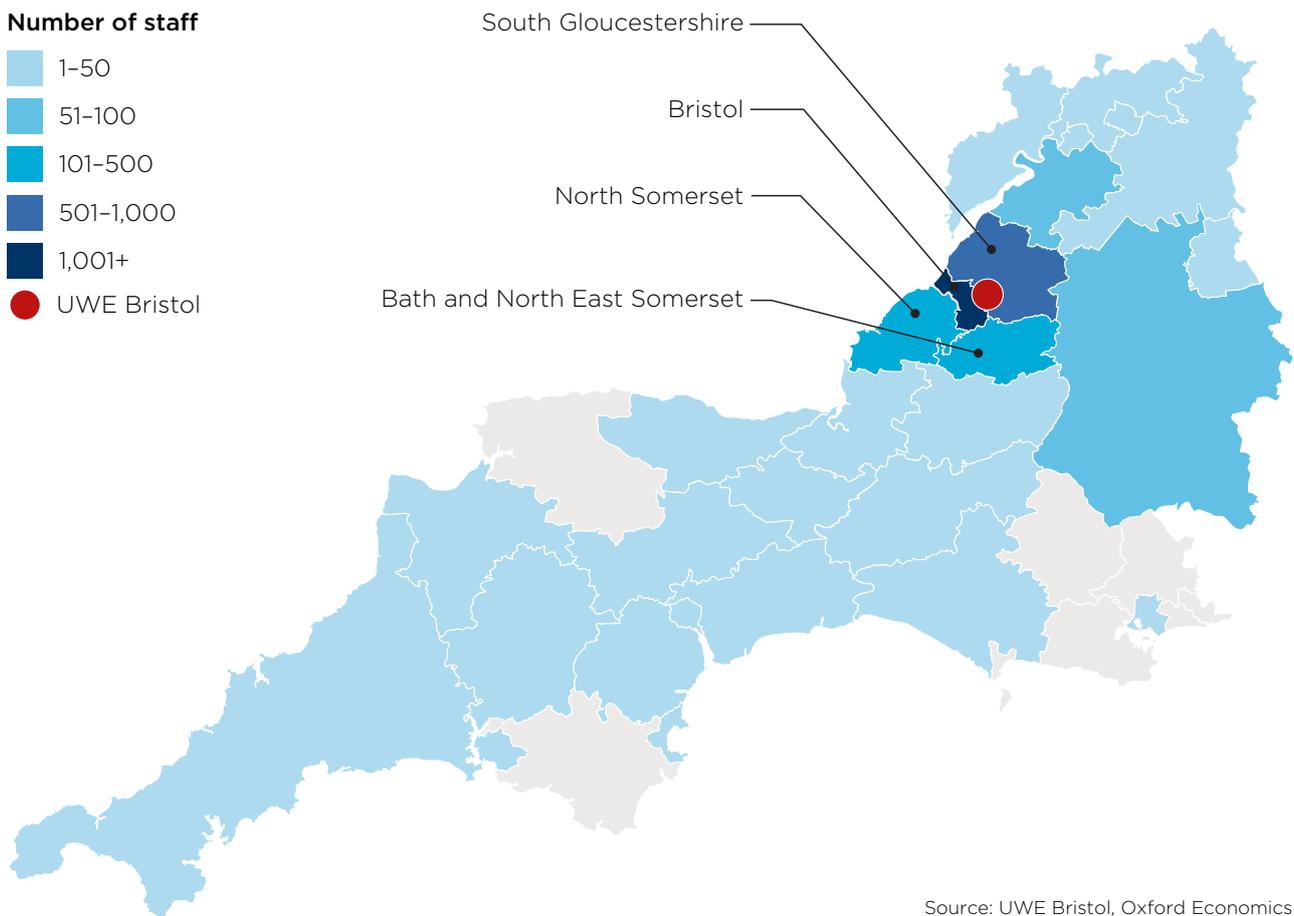
*Snapshot as at December 2015

¹¹ Standard Industrial Classification of Economic Activities (SIC codes) 93.11: Operation of sports facilities and 66.22: Activities of insurance agents and brokers, respectively.

¹² South Gloucestershire Council, Business Directory and Guide 2016/17.

The great majority (80 percent) of University employees live in the West of England, with the biggest share (1,541 staff members, or 43 percent of total) in Bristol, a further 952 employees (or 27 percent of the total) in South Gloucestershire, 197 people (or 6 percent) in North Somerset and 144 (or 4 percent) in Bath and North East Somerset (Fig 5).

Fig. 5: Home locations of UWE Bristol employees, 2014/15

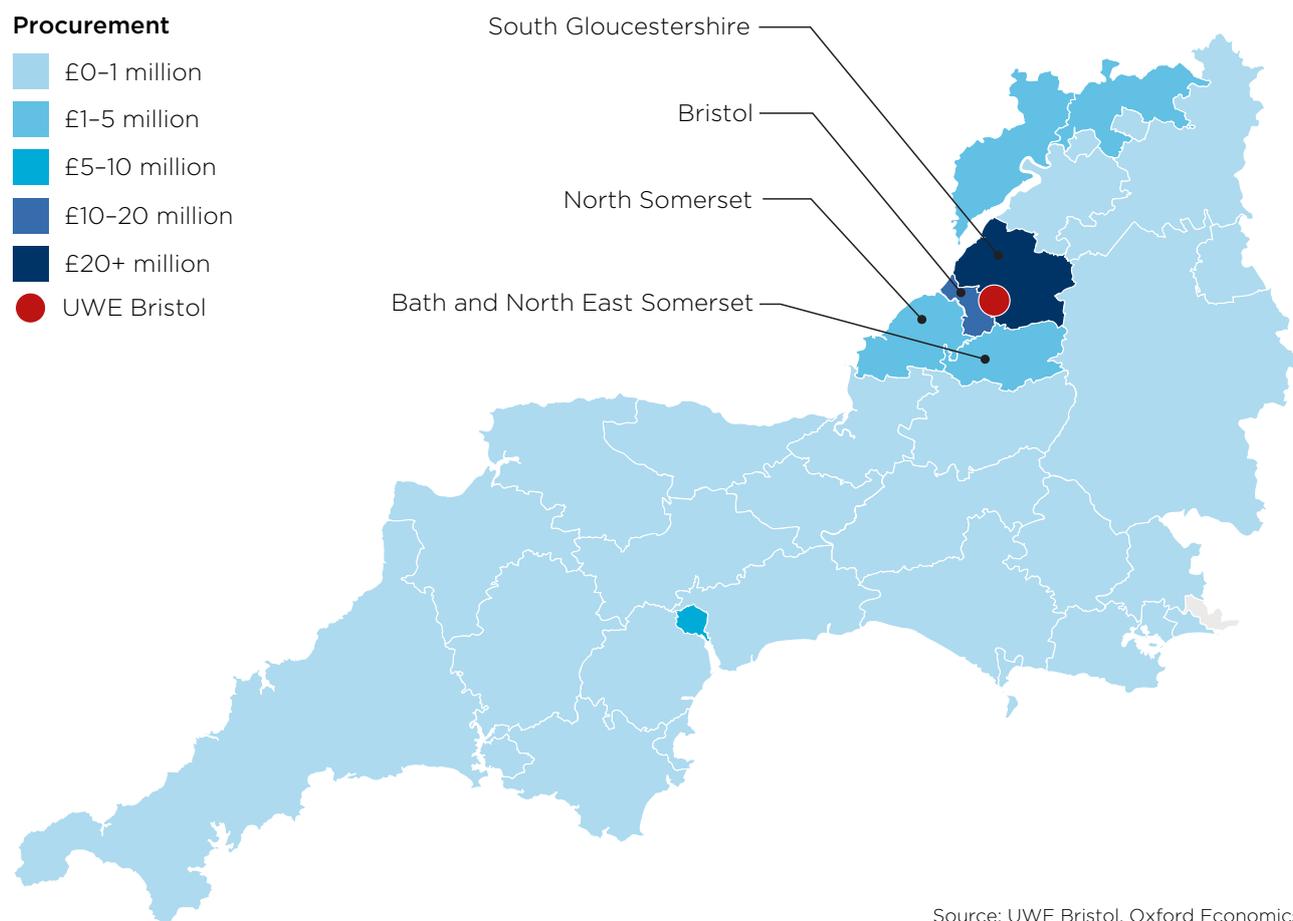


2.3 SUPPLY CHAIN AND CONSUMER SPEND CONTRIBUTION

To undertake its activities, UWE Bristol sources many of the goods and services it purchases locally; the University has an explicit commitment to local purchasing where possible. This local procurement supports significant economic activity and employment across the West of England.

In 2014/15, the University spent £44.1 million (or 45 percent of total procurement) on inputs from about 1,320 suppliers in the West of England. Of this total, suppliers located in South Gloucestershire and Bristol received 55 and 31 percent of local expenditure, respectively (Fig. 6).

Fig. 6: Spending with suppliers in the West of England, 2014/15



UWE Bristol buys goods and services from local suppliers across a wide range of industries. In 2014/15, it spent £25.1 million on construction and maintenance with businesses in the West of England, £3.8 million on professional services and £1.3 million on safety and security (Fig. 7).

The University's £44.1 million annual spend on goods and services from local suppliers is estimated to have supported 360 people in employment in the West of England.

Both the University and its suppliers pay wages and salaries to their staff, and a proportion of this income is subsequently used by employees to purchase food, clothing and a wide range of goods and services from

businesses in the West of England. The economic activity that this spending generates constitutes the additional 'induced' impact of UWE Bristol on the West of England economy.

In 2014/15, the University paid £82.2 million in gross salaries to its 2,834 employees who lived in the West of England. The University pays its employees gross salaries substantially above the city-region average. The average gross salary for UWE Bristol staff resident in the West of England in 2014/15 was £29,000. This was 12 percent above the average for residents in the city-region.¹³

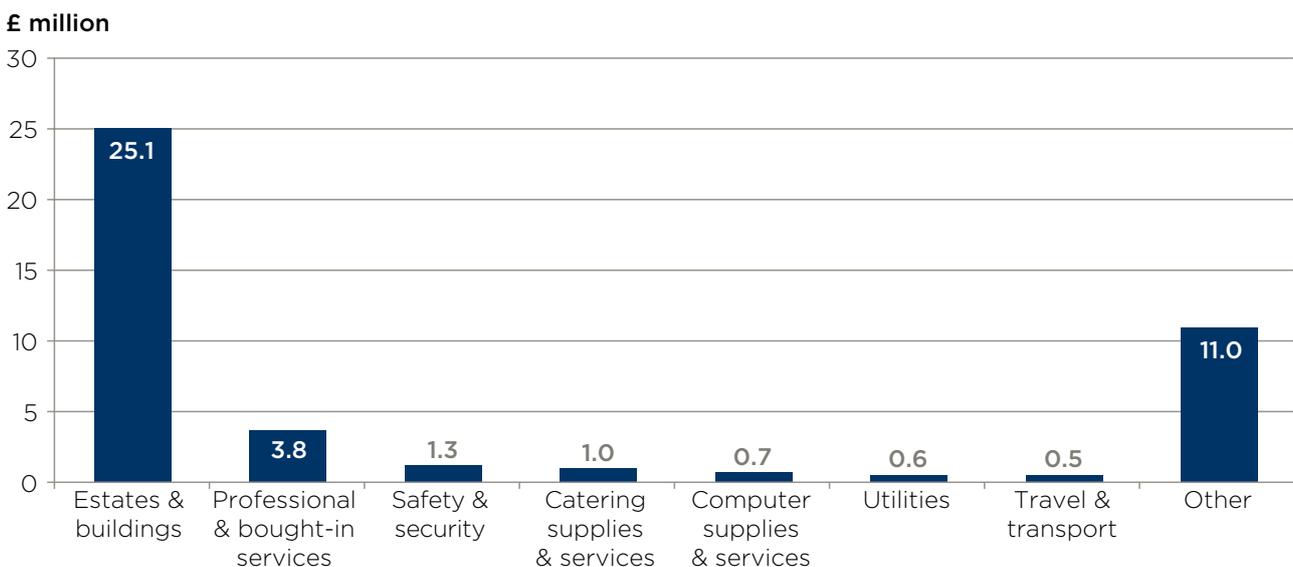
Those working in the University's supply chain are estimated to receive some £14 million in wages, given

the industrial sectors in which they work.

Staff at the University and in its supply chain spend a proportion of their wages in local retail and leisure outlets, helping to sustain local businesses. Their expenditure is estimated to support 970 jobs in the West of England, many of these being in retailing and the hospitality sector.

This will be an underestimate, as many of the University's employees and those employed in its direct supply chain that live elsewhere are likely to visit the city-region's retail and leisure outlets during lunch-breaks or after work, but it is difficult to estimate the extent of this spend.

Fig. 7: UWE Bristol's expenditure with suppliers in the West of England city-region, 2014/15



Source: UWE Bristol

2.4 STUDENT SUBSISTENCE SPENDING

UWE Bristol attracts students to the West of England from across the UK and from over 140 countries globally. It also retains students in the West of England who might otherwise have moved to study elsewhere.

An estimated 14,430 of the University's students (or 50 percent of the student body) can be classified as 'additional' to the West of England, i.e. they would not be based locally otherwise and so their expenditure can be attributed

to UWE Bristol's presence in the area (see methodological appendix for further details on the identification of additional students). These students are estimated to have spent £205.7 million on housing, food, personal items, entertainment, transport and other items. Much of this will have been sourced from retail and leisure outlets in the West of England in 2014/15. This 'extra' expenditure in the area again helps to sustain many local businesses.

The additional students' subsistence spending fuels economic growth by creating and sustaining jobs across the area. This will, in turn, benefit both the firms serving these students directly, and also their suppliers and their staff, who will also spend their wages in the locality. In total, additional students' subsistence spending is estimated to support 3,340 jobs in the West of England city-region.

2.5 SPENDING OF VISITORS

The 14,430 students that are additional to the West of England attract extra expenditure into the city-region. Friends and relatives visiting these students will spend money in the area, generating economic activity and supporting employment in local businesses.

In 2014/15, visitors to students at UWE Bristol spent an estimated £2.7 million locally on goods and services including transport, hotels, restaurants and bars and visiting cultural, recreational and sports attractions. Taking account of the subsequent supply chain and wage consumption impacts, this spending supported around 60 jobs in the West of England.

3. GDP CONTRIBUTION

3.1 TOTAL GDP CONTRIBUTION

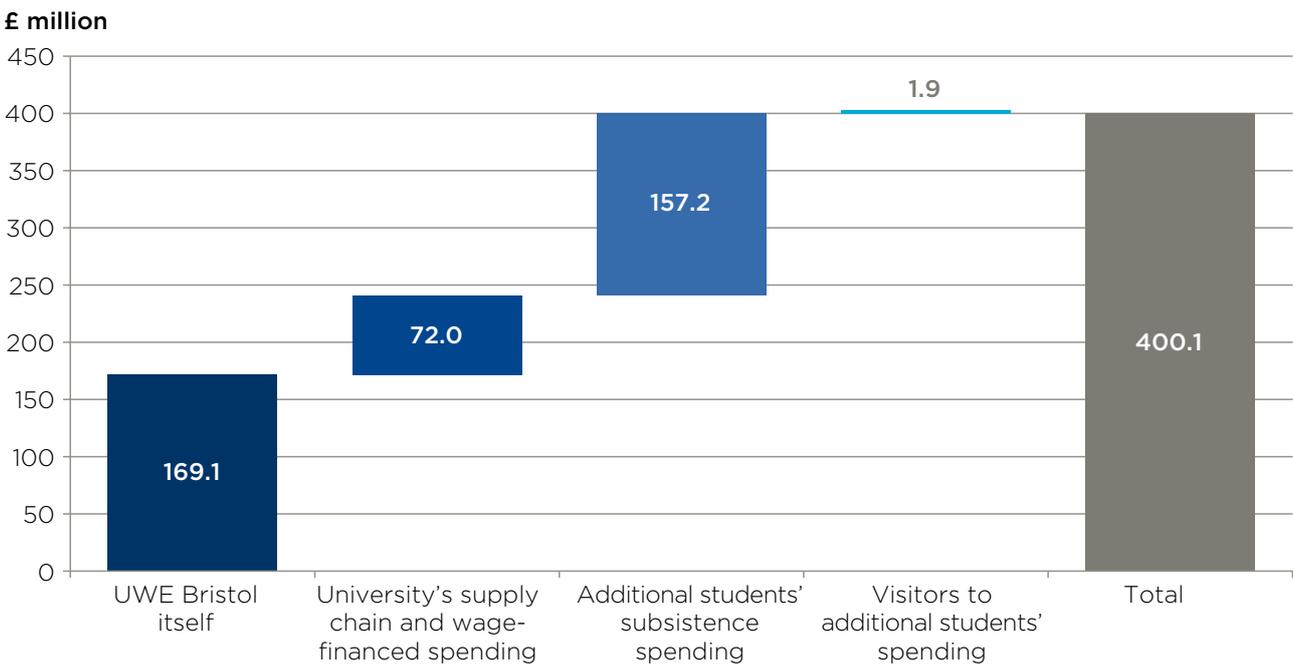
As well as supporting employment, UWE Bristol also contributes substantially to the West of England’s economic activity, conventionally measured in terms of gross domestic product (GDP). In total, the University and the students it attracts together contributed £400.1 million to economic output in the West of England, in 2014/15, or 1.3 percent of all economic output in the city-region.

Of this combined total, the University itself contributed £241.1 million gross value added to the city-region’s GDP (Fig. 8). This was split between £169.1 million (or 70 percent) directly contributed by the University itself and £72 million (30 percent) contributed by its procurement and payment of wages. This gives the University a gross value added multiplier in the West of England of 1.43, so for every £1 million of

economic output it produces in the city-region, it supports a further £430,000 elsewhere in the local economy.

In 2014/15, the University’s additional students’ and their visitors’ expenditure stimulated a £159.1 million gross value added contribution to city-region’s economy. This is 40 percent of all economic activity supported by UWE Bristol in the West of England.

Fig. 8: The contribution to GDP of UWE Bristol and its students, 2014/15



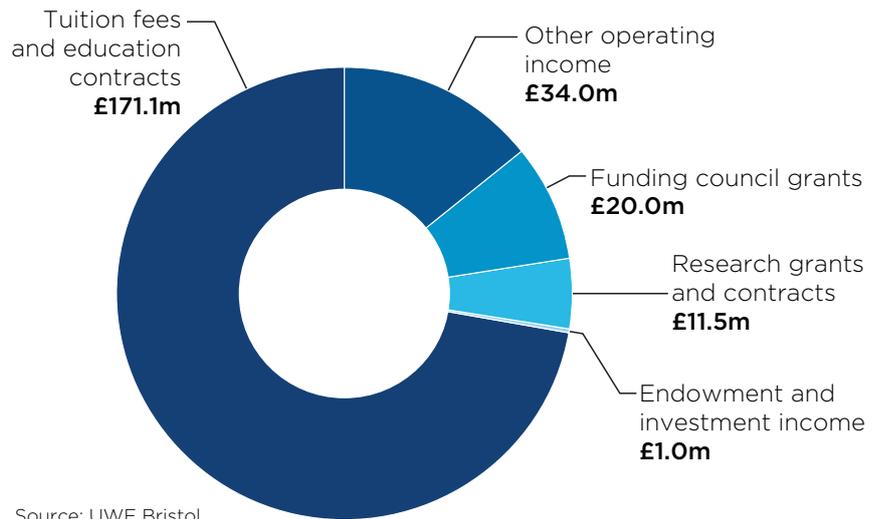
Source: Oxford Economics

3.2 DIRECT GDP CONTRIBUTION

In 2014/15, the University earned £237.6 million in income. Some £171.1 million of this came from the University's students in the form of tuition fees and education contracts (Fig. 9). Another £20.0 million came from funding council grants and £11.5 million in the form of other research grants and contracts.¹⁴

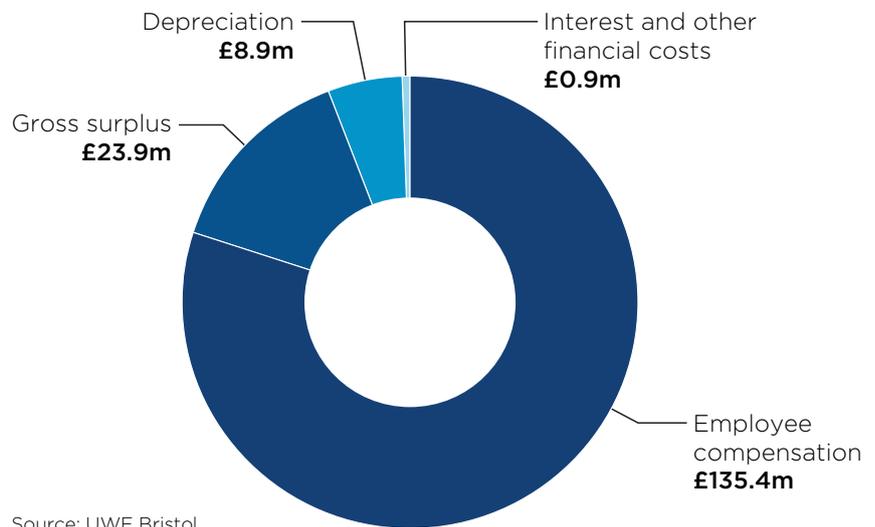
UWE Bristol spent about £223.3 million in 2014/15, including staff costs and other operating expenses. The University's single largest expenditure was staff costs amounting to £135.4 million (Fig. 10). It also made a gross surplus of £23.9 million. Based on this information, Oxford Economics estimates the University made a £169.1 million direct gross value added contribution to GDP, or 0.5 percent of all the economic output produced in the West of England city-region in 2014/15.

Fig. 9: UWE Bristol's income by source, 2014/15



Source: UWE Bristol

Fig. 10: UWE Bristol's gross value added by source, 2014/15



Source: UWE Bristol

¹⁴ University of the West of England, "Annual Report and Financial Statements 2014-15".

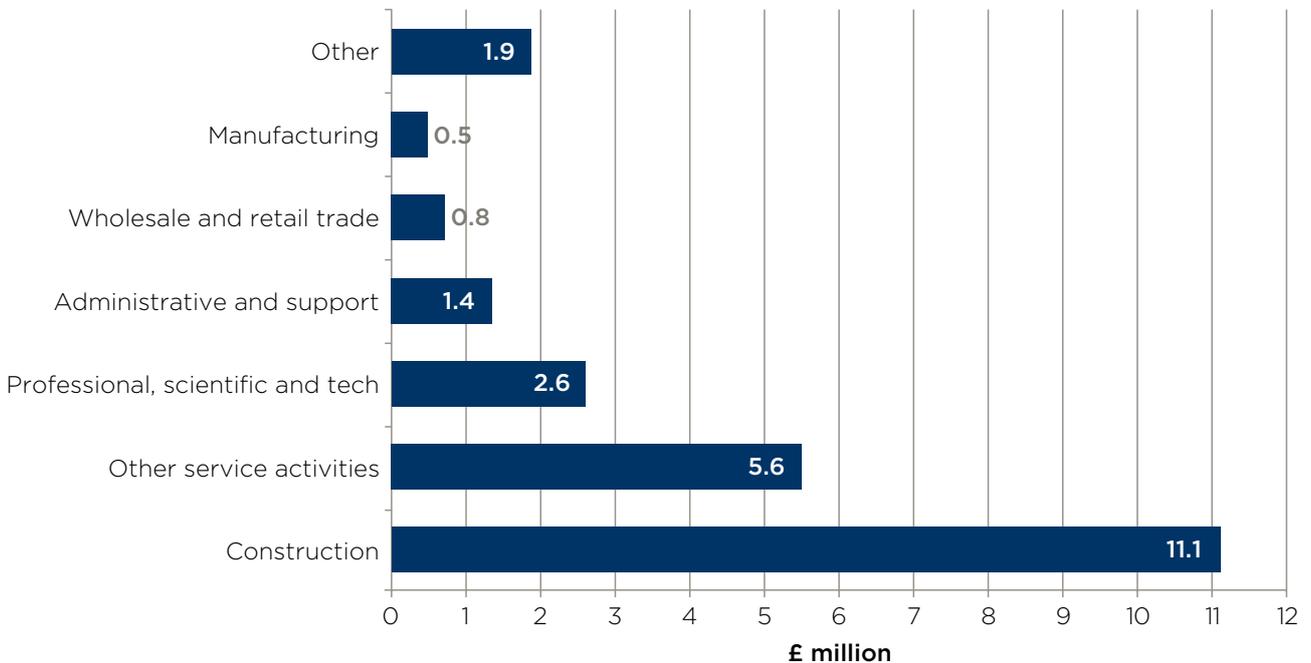
3.3 SUPPLY CHAIN AND CONSUMER SPEND CONTRIBUTION

As with the effects on employment, the University's expenditure on goods and services and its payment of wages and salaries to staff that were subsequently spent locally stimulated considerable economic activity at businesses across the West of England and boosted economic output as a result.

As noted earlier, in 2014/15, the University spent £44.1 million on goods and services from suppliers in the West of England, 55 percent from firms in South Gloucestershire, 31

percent from firms in Bristol and the remainder split evenly between Bath and North East Somerset and North Somerset. This expenditure is estimated to generate a £23.8 million contribution to GDP in the city-region. Some 47 percent (or £11.1 million) of the boost in gross value added from the University's procurement occurred at local construction firms (Fig. 11). Value added at local firms which provided other service activities and professional, scientific and technical services also increased significantly.

Fig. 11: Gross value added supported in UWE Bristol's supply chain, 2014/15

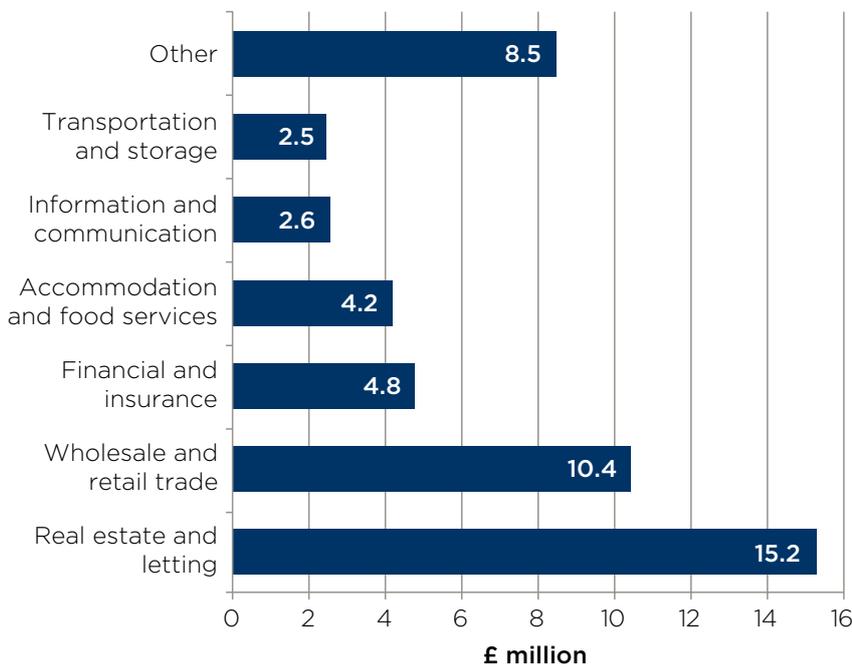


Source: Oxford Economics

UWE Bristol and the firms in its direct supply chain pay their staff wages and salaries. These are, in part, used to purchase goods and services

from local businesses. This spending is estimated to contribute a further £48.2 million to GDP in the West of England (Fig. 12).

Fig. 12: Gross value added supported through the wage spending of staff at UWE Bristol and its suppliers, 2014/15



Source: Oxford Economics

3.4 STUDENT SUBSISTENCE SPENDING

The subsistence spending of students attracted or retained in the area by UWE Bristol again forms part of the overall economic impact of the University in the West of England. The expenditure on transport, food and other goods and services by the 14,430 additional students is estimated to contribute a further £157.2 million to GDP in the city-region.

3.5 SPENDING OF VISITORS TO STUDENTS

Finally, visitors to additional students attending UWE Bristol use local transport, stay at hotels, pay entrance fees to the region’s attractions and visit the city-region’s restaurants and bars. This extra expenditure stimulates economic activity at local businesses. In 2014/15, the spending of visitors to students is estimated to have contributed an additional £1.9 million to GDP.

IMPACT IN BRISTOL AND SOUTH GLOUCESTERSHIRE

The report is focused mainly on the activities and impact of the University across the West of England city-region as a whole. This section breaks this down to look more specifically at

UWE Bristol's impact in the City of Bristol and in South Gloucestershire—the main Frenchay campus is in South Gloucestershire, Glenside and the City Campus are in Bristol.

Fig. 13: UWE Bristol's impact on the City of Bristol and South Gloucestershire in 2014/15

| Headline impact | South Gloucestershire | Bristol |
|---|-----------------------|---------|
| Gross value added produced by UWE Bristol (£ million) | 133.7 | 35.4 |
| Share of gross value added produced by UWE | 1.6% | 0.3% |
| Employment at UWE Bristol (people) | 2,807 | 742 |
| Share of employment at UWE Bristol | 1.7% | 0.3% |
| Share of UWE Bristol staff living in the district | 26.8% | 43.4% |
| UWE Bristol staff living in the district as a share of working age population | 0.7% | 0.6% |
| Share of UWE Bristol students living in the district | 24.2% | 53.4% |
| UWE Bristol students living in the district as a share of all residents | 2.5% | 3.3% |
| UWE Bristol staff and students living in the district as a share of all residents | 3.1% | 4.0% |

Source: UWE Bristol, ONS, Oxford Economics

Including academic and non-academic workers, in 2014/15 UWE Bristol employed just over 2,800 people in South Gloucestershire. This was equal to one in every 60 jobs in the district (there were almost 170,000 employed people in South Gloucestershire in 2014/15). In addition to the employment activity created directly, UWE Bristol generated a £133.7 million gross value added contribution to local GDP. This was equivalent to 1.6 percent of the district's entire economic output. Twenty-seven percent of staff and 24 percent of students at UWE Bristol lived in the district. UWE Bristol's staff and students who lived in South Gloucestershire comprised 3.1 percent of the district's 273,100 residents.¹⁵

UWE Bristol directly generated a gross value added contribution of £35.4 million to the City of Bristol's economy in 2014/15. This was equivalent to 0.3 percent of the district's economic output. The University created over 700 jobs in Bristol in 2014/15—equivalent to one in every 390 jobs in the area. Staff resident in the district represented 43 percent of the University's workforce and some 53 percent of the students lived in the city in 2014/15. UWE Bristol staff and students living in the City of Bristol comprised 4.0 percent of its 445,600 residents.



4. TAX CONTRIBUTION

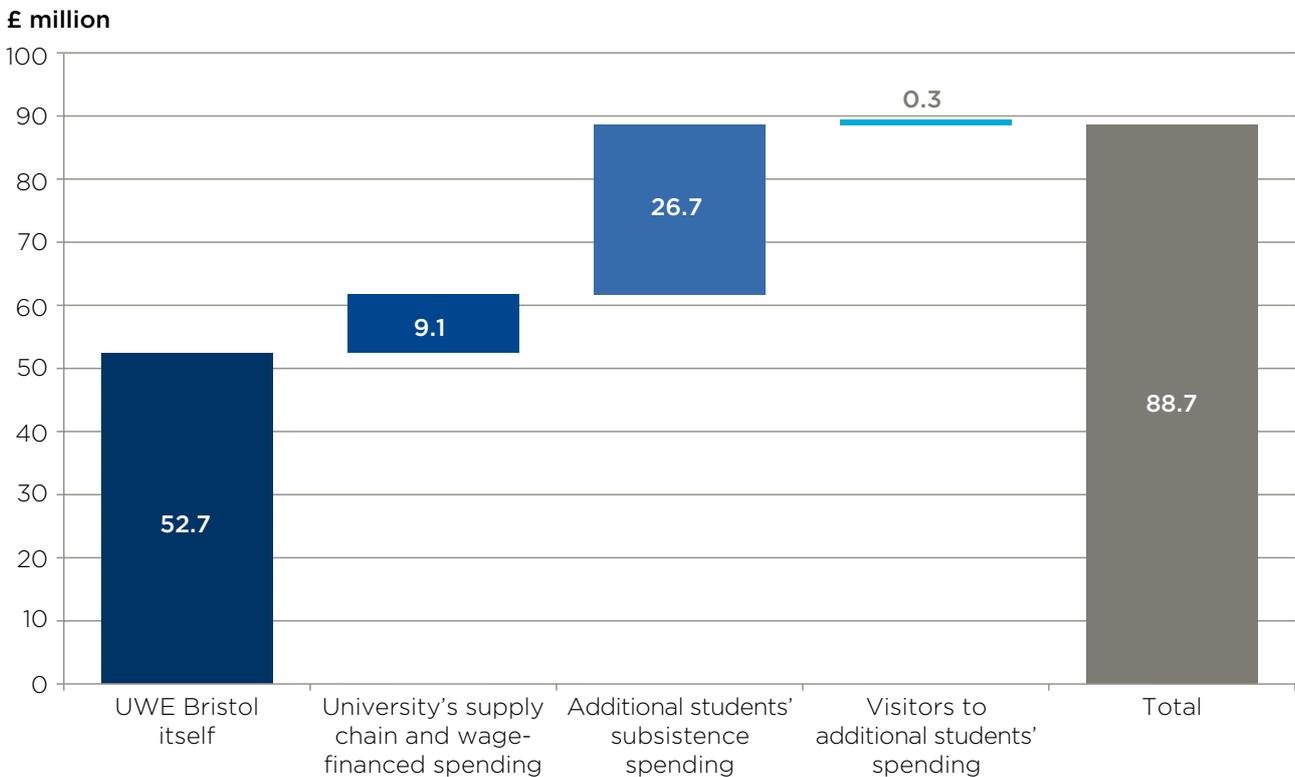
4.1 TOTAL CONTRIBUTION

The economic activity and employment outlined in Sections 2 and 3 of this report bring with them further benefits as a consequence of the tax revenues that they generate. These are used, in turn, to finance vital public services.

In total, UWE Bristol generated directly or through secondary channels a total tax contribution of £88.7 million to the UK Exchequer in 2014/15. To give a sense of scale, this amount would cover the running costs of the Avon Fire Brigade for almost two years.¹⁶

The University and its staff were responsible for 70 percent of the total through direct and secondary channels (Fig. 14). Tax payments generated by additional students' subsistence spending comprised a further 30 percent.

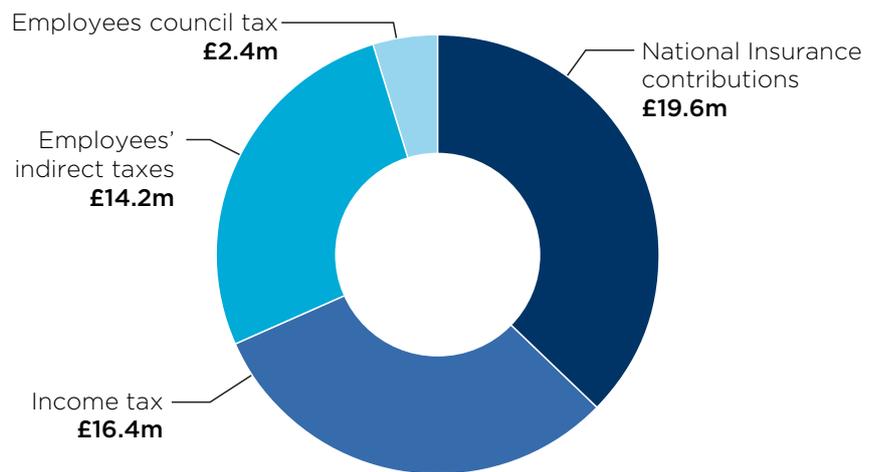
Fig. 14: Total tax contribution of UWE Bristol, 2014/15



4.2 UNIVERSITY AND STAFF CONTRIBUTION

UWE Bristol and its staff paid £52.7 million in taxes in 2014/15. Of this amount, employer and employee National Insurance contributions accounted for £19.6 million or 37 percent of the University's total direct tax contribution (Fig. 15). Payment of income tax on staff wages generated a further £16.4 million for the Exchequer, or 31 percent of total. The payments of indirect taxes by UWE Bristol's employees (including VAT) accounted for £14.2 million or 27 percent of the tax payments by the University and its staff.

Fig. 15: UWE Bristol's direct tax contribution by type, 2014/15



Source: Oxford Economics, UWE Bristol

5. UWE BRISTOL GRADUATE TALENT

5.1 THE UNIVERSITY AS A SUPPLIER OF SKILLED LABOUR

UWE Bristol has a major impact on business and other organisations across the West of England including the health service and schools through its role as a provider of graduate talent. This includes both graduates originally from the city-region who study at the University and later work in the city-region, but also those attracted into the West of England to study, a proportion of whom are then recruited by local employers.

Some 6,722 students graduated from UWE Bristol in 2014/15, 5,401 of whom qualified to undergraduate level and a further 1,371 to postgraduate level.¹⁷ Many also

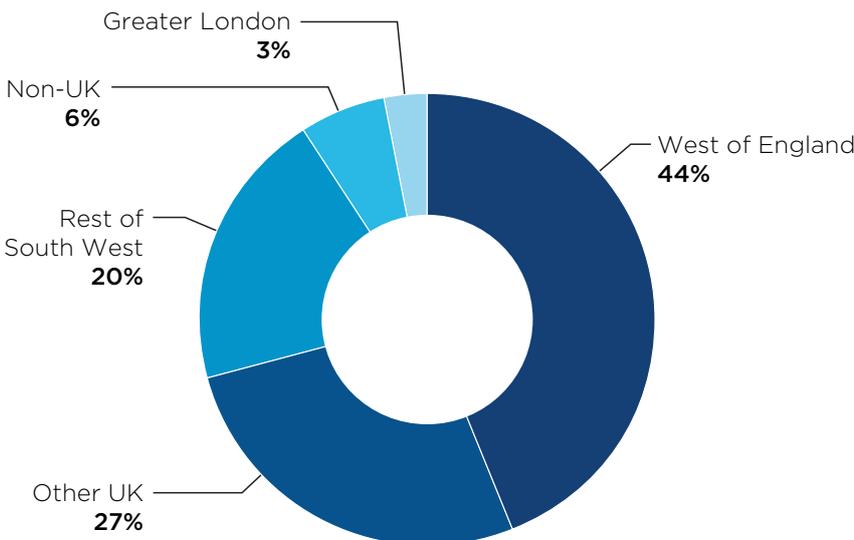
have professional qualifications secured alongside academic ones. In 2014/15, the total included, for example, 934 nurses and other health professionals; 388 architects, planners and other built environment professionals; 382 teachers; 373 engineers; 354 graduates in fashion, fine art and graphic design; and 250 computer scientists.

Official survey data shows that UWE Bristol graduates are highly employable: six months after graduation 96 percent were in work or further study, compared with the national average of 94 percent. Focusing on a longer time horizon, 99 percent of UWE Bristol graduates were

in work or further study three and a half years after graduation, compared with 97 percent nationally.¹⁸ UWE Bristol also outperforms the sector nationally in terms of the proportion of graduates in higher level roles, with 78 percent of those who left in 2014/15 in professional and managerial roles six months after graduating compared to 71 percent nationally.

A high proportion of UWE Bristol graduates find employment locally and remain in the West of England after graduation. Some 44 percent of all in-work UWE Bristol 2014/15 graduates were working in the West of England, with a further 20 percent working in the wider South West region (Fig. 16).

Fig. 16: In-work 2014/15 UWE Bristol's graduates by employment region six months after graduation



Source: DLHE

¹⁷ Undergraduate level includes Undergraduate Degree, Higher Education Diploma, and Foundation Degree.

¹⁸ HESA, "Destinations of Leavers for Higher Education", 2016. HESA, "Destinations of Leavers from Higher Education Longitudinal Survey", 2015.



Of the 44 percent of in-work UWE Bristol 2014/15 graduates who took jobs at employers located in the city-region, some 48 percent were originally from the West of England. The remaining 52 percent (or 22 percentage points out of the 44) came from outside of the city-region to study at UWE Bristol (Fig. 17). UWE Bristol therefore plays a significant role in attracting talent into the city-region to study and, subsequently, join the graduate workforce.

Fig. 17: Origin and destination of UWE Bristol's 2014/15 in-work graduates

| | | Employer region after graduation | | |
|--|-----------------|----------------------------------|-------|-------|
| | | West of England | Other | Total |
| Home location prior to starting at UWE Bristol | West of England | 21% | 4% | 25% |
| | Other | 22% | 52% | 75% |
| | Total | 44% | 56% | 100% |

Source: Oxford Economics

5.2 GRADUATES IN KEY WORKER ROLES

Some of the roles students take on after graduating are important for their 'social significance'. Social significance can be defined in a number of ways. This study draws from the UK Government's definition of key workers, to look in greater depth at the following occupations:¹⁹

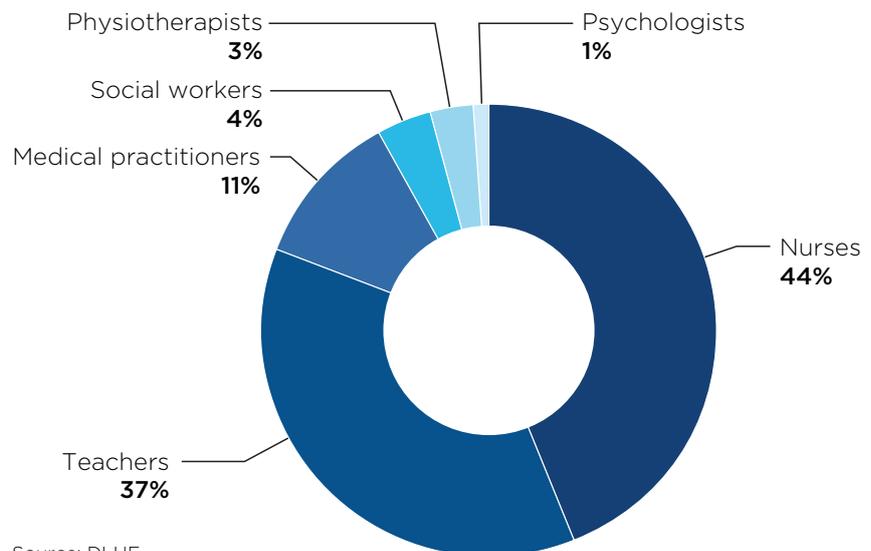
- Doctor
- Nurse
- Physiotherapist
- Psychologist
- Social Worker
- Speech & Language Therapist
- Teacher

The DLHE survey indicates that around a third of the 2014/15 graduate population who are working in the West of England are employed in socially significant roles. This amounts

to almost 15 percent of the graduates who reported being in work. Nurses made up the greatest proportion of these alumni (44 percent), followed by teachers (37 percent), health practitioners (11 percent) and social workers (4 percent) (Fig.

18). In the subject rankings of the Guardian University League Tables 2017, UWE Bristol came top for Social Work, demonstrating the University's prominent role in the provision of socially significant workers to the labour force.²⁰

Fig. 18: Composition of 'socially significant' roles by UWE Bristol graduates in the West of England city-region, 2014/15

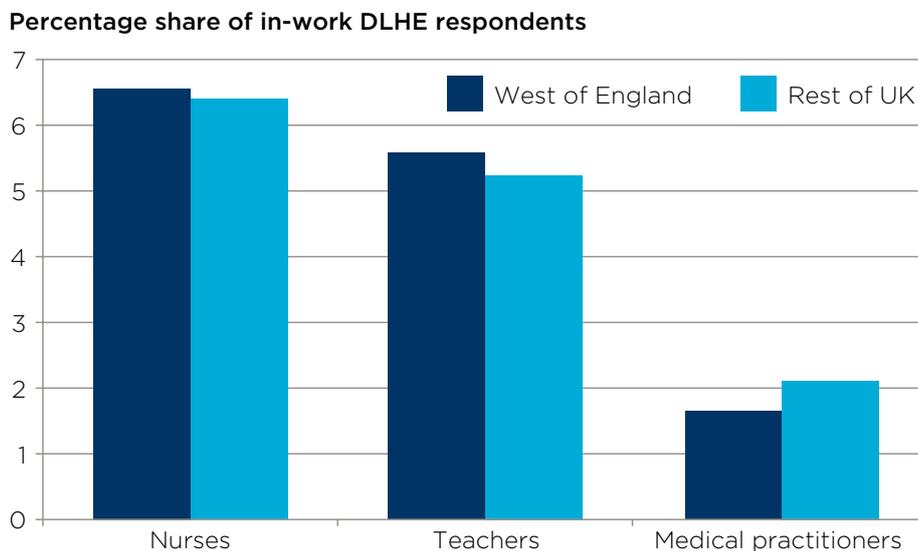


Source: DLHE

More of the 2014/15 cohort of graduates who are employed as nurses and teachers work in the West of England than go to work in other parts of the UK (Fig. 19). Nurses make up 6.6 percent of the 2014/15 graduates in employment who work in the West of England,

compared to 6.4 percent who work elsewhere in the rest of the UK. Similarly, 5.5 percent of all 2014/15 graduates who are employed work as teachers in the West of England, compared to 5.2 percent in the rest of the UK.

Fig. 19: UWE Bristol’s share of in-work 2014/15 graduates in ‘socially significant’ roles in the West of England and rest of the UK



Source: DLHE

6. CONCLUSION

UWE Bristol makes a very substantial contribution to the economy of the West of England. It does so through its own operations, its purchases of goods and services from local suppliers, the wage-financed spending of its staff and the expenditure of its additional students and their visitors.

In total, UWE Bristol is estimated to have supported 8,280 jobs in the West of England, or one in every 79

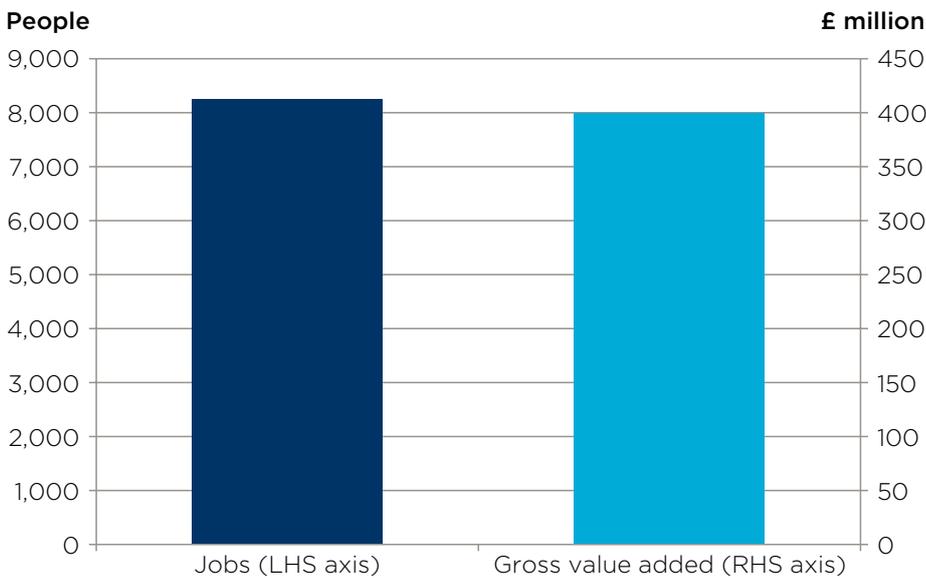
people in employment in the area (1.3 percent). Some 59 percent was as a result of the University's expenditure, with the remainder of jobs stimulated by additional students' and their visitors' spending.

The University contributed £400.1 million to the West of England economy. This is equivalent to 1.3 percent of the local economy (Fig. 20). As a result of this activity, in 2014/15, the University, its employees,

additional students, and their visitors supported a £88.7 million tax contribution to the Exchequer.

The University had a major impact on businesses and the local economy through its role in the supply of graduate talent. A significant proportion of the thousands of graduates from the University annually are employed within the city-region, including many of those attracted to study at UWE Bristol from elsewhere.

Fig. 20: The economic impact of UWE Bristol on the West of England, 2014/15



Source: Oxford Economics



7. METHODOLOGICAL APPENDIX

ADDITIONAL STUDENTS' SUBSISTENCE SPENDING

UWE Bristol attracts students to the West of England from other parts of the world and retains local students who might have gone to study elsewhere. The subsistence spending of these students would not otherwise occur in the city-region's economy and is, therefore, part of the overall impact of UWE Bristol.²¹

Subsistence expenditure refers to all spending on goods and services except for tuition fees. It includes, for instance, the purchases of items required for facilitating their study, such as transport to University and books, as well as other consumer expenditure—including spending on food, leisure and social activities. Payments to the University in the form of tuition fees and for university accommodation are removed from the calculation so as not to double count.

The Department for Business, Energy and Industrial Strategy regularly publishes data on subsistence expenditure by students. The latest available data covered the 2011/12 academic year.²² Students' expenditure is made up of:

- living costs, including food, drink, personal items etc.;
- housing costs, including rent, mortgage costs, Council Tax etc.;
- participation costs, including costs of books, stationery etc., and;
- spending on children, if any.

Making allowance for the change in living costs between 2011/12 and 2014/15 using the ONS' Consumer Price Index indicates that the average student at UWE Bristol spent £15,900 in 2014/15, including housing costs.

To calculate how much expenditure UWE Bristol attracts into the city-region in the form of student subsistence spending, it is necessary to compare student term-time and home locations. It suggests that 10,300 students came from outside the city-region to live in the area while studying in 2014/15. A further 4,120 students lived in the area while studying, but as these students were originally from the West of England, their spending cannot be treated as 'additional' unless they would have left the area to go to other higher education institutions (HEIs). Using students' insurance choice data provided by the University, it has been estimated that over 91 percent of full-time students would have left the West of England to pursue higher education elsewhere. The remaining nine percent would have chosen Bath Spa University, hence they would have been spending money in the local economy anyway and cannot therefore be treated as additional.

²¹ The spending of students domiciled in the West of England prior to attending university is not deemed to be additional to the local economy as the counterfactual scenario assumes that these students would be spending money in this economy if they were not attending UWE Bristol.

²² Department for Business Innovation & Skills, "Student Income and Expenditure Survey 2011/12" (9 April 2014).

VISITORS TO ADDITIONAL STUDENTS

The visitors that the University's additional students attract to the city-region come from other parts of the UK and overseas. The amounts spent by the two types of visitors—domestic and international—differ according to visitor origin. Therefore two methods are used to calculate the spending impact of these visitors in the West of England.

Visitors from overseas

The ONS' International Passenger Survey (IPS) provides detailed data on the spending of international visitors to the UK and its nations and regions, disaggregated by purpose of the trip and by nationality of the visitor. University data indicate that, for instance, there were 390 additional students from China living in the West of England city-region in 2014/15. The 2011 Census data indicate that there were over 3,300 people of Chinese nationality living in the West of England. Therefore, 12 percent of all spending by Chinese visitors to the area who were visiting friends and relatives in the area is attributed to UWE Bristol.

Applying this methodology to the University's 4,000 additional overseas students who were living in the West of England indicates that visitors to these students spent over £1.1 million in the area in 2014/15.

Domestic visitors

The University's domestic students also attract visitors to the West of England. Although no information is available on how many visitors each additional student receives, data do exist on the average spend of a visitor from each part of the UK to friends and relatives in the South West.²³ Using a similar approach to that employed for overseas students it is possible to estimate the spending that these domestic visitors make in the city-region. This study assumes that each student from outside the West of England gets one visitor from their home region each year. With the likelihood that some students receive multiple family visits over the course of an academic year and that parents are often involved in the transport of personal effects at the beginning and end of session, this is probably a very conservative assumption.

Following this approach, the 10,300 additional students who came to the West of England to study at UWE Bristol from elsewhere in the UK attracted visitors who spent almost £1.6 million in the local area.

In total, in 2014/15, domestic and international visitors to students at UWE Bristol spent £2.7 million on local transport, accommodation, restaurants and bars, and visiting cultural, recreational and sports attractions.

²³ Great Britain Tourism Survey (2014), online data browser.

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