



Report of: The Director of City Development
To: City Development Scrutiny Board
Date: 18th December 2007

Subject: THE LOCAL ECONOMIC IMPACT OF STUDENTS IN LEEDS

Electoral Wards Affected:

All



Ward Members consulted
(referred to in report)

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

1.0 Background

1.1 The Board has asked for a report describing the impact that students at the two universities in Leeds have on the local economy. This report outlines the work currently underway to try and answer the question.

2.0 Universities UK economic impact modelling system

2.1 Universities UK, the organisation that represents all UK universities, commissioned the University of Strathclyde to develop an econometric model to enable any Higher Education Institution (HEI) to assess its economic impact. It does not look at the key role of universities in adding to knowledge and innovation. The model has been made available to every HEI.

2.2, It can analyse the direct impact in terms of revenue, expenditure and employment, and the “knock-on” impact on the national and regional economies, in terms of output, employment and export earnings. The model analyses a university’s full economic impact, not just that created by students’ spending.

2.3 One limitation of the model to bear in mind is that it cannot analyse impact below the Yorkshire and Humber spatial level, though it would be safe to assume that the regional impact of students of Leeds’ universities is focused on Leeds itself.

2.4 Both Leeds Metropolitan University and the University of Leeds have agreed to run the model in response to the Scrutiny Board’s request. A detailed report on both universities’ economic impact could be brought to a meeting of the Board early in 2008.

3.0 Recommendation

That a more detailed report on the economic impact of LMU and the University of Leeds is brought to this Scrutiny Board early in 2008.