

Liverpool City Council Higher Education Funding Scrutiny Panel

Student Submission

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This submission is made on behalf of the students of Liverpool Hope University, Liverpool John Moores University and the University of Liverpool.

Introduction

The students of Liverpool, as in any other part of the UK and the world, are not a distinct or separate element of the community. They are tenants, employees, volunteers, family members, constituents and customers with skills, experience and time to offer.

In the past five years there has been much attention paid to the phenomenon of 'studentification', much of it negative. Media headlines have included 'You can't live here, students told'¹, 'Rowdy students must be tackled'², and 'Student take over alarms cities'³. The latter article even refers to a study that called students "the new scourge of Britain's towns and cities".

The definition of 'studentification' offered by the Macmillan English dictionary is "the social and environmental changes caused by very large numbers of students living in particular areas of a town or city"⁴, like many definitions, leaving aside the question of whether or not these changes are positive or negative.

Whilst a great (and often not properly planned for) influx of students to an area is bound to cause some friction, as does any sudden population change, it brings with it many more positive developments. Little attention has been paid to the regenerative function that a student population performs, supplying workers and customers for high street shops and introducing enhanced cultural and ethnic diversity. Universities UK has identified various positive social, cultural, physical and economic effects that student populations bring⁵. Indeed, universities are the economic and cultural powerhouses of the cities and regions of which they are a part.

It is recognition of this very fact, that universities increase the success and competitiveness of those communities of which they are a part, that led to both employers and government calling for a significant expansion in the number of people attending university, with the then Conservative government in 1988 pledging to double the number of students in higher education by 2000, the CBI suggesting in 1996 that 40% of school leavers should proceed to higher education⁶, and the Labour government setting a target of 50% in 1999⁷. Yet, strangely, students are increasingly left to fend for themselves, having to pay significant sums of money for their tuition and navigate various private markets, in housing and childcare, at a distinct financial disadvantage.

A government, and indeed tax payers, cannot, in good faith, at one and the same time argue that increased education is necessary for our country's global competitiveness and success, and that those availing themselves of the opportunities must pay for the privilege as they may personally benefit financially from them.

If the country as a whole benefits from graduates, then students are being forced to pay to benefit the society of which they are a part, and to which they have every likelihood of contributing more than a comparable person without a university education.

¹ <http://education.guardian.co.uk/students/housing/story/0,,1697549,00.html>

² <http://news.bbc.co.uk/1/hi/education/4640168.stm>

³ <http://www.guardian.co.uk/society/2002/jul/21/urbandesign.highereducation>

⁴ <http://www.macmillandictionary.com/New-Words/040124-studentification.htm>

⁵ 'Studentification: a guide to opportunities, challenges and practice', January 2006

⁶ 'Degrees of poverty' The Economist, 3 February 1996, pp49-50

⁷ Tony Blair, Labour Party Conference, Bournemouth, September 1999

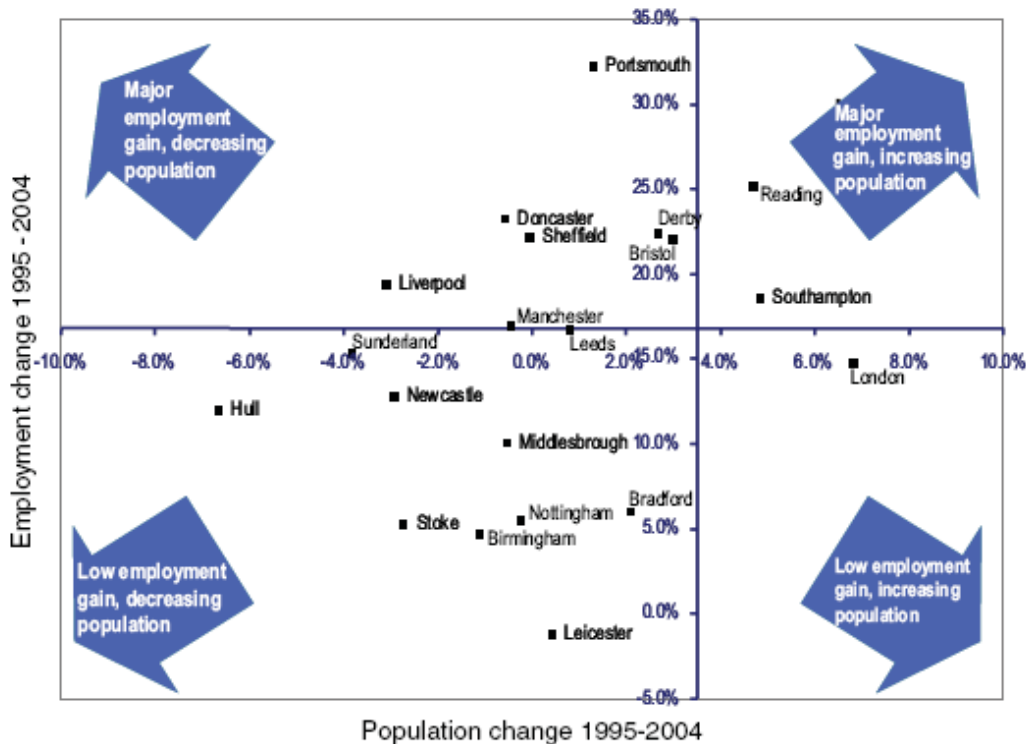
The size and nature of Liverpool’s population

The population of Liverpool has been in almost constant decline since the Second World War and the loss of traditional industry. With the end of the City’s status as a centre of trade and shipping from the mid-1970s, the middle class business owners and entrepreneurs deserted it, leaving behind them a population for the most part either unskilled or possessing skills that could no longer be employed.

From a 1931 Census peak of 855,688, the population had fallen to almost half that, 439,476, by 2001. Recent figures do indicate that this decline may be reversing, with a 0.6% increase to 444,000 in 2004 the first since the 1930s⁸, albeit slowly.

Figure 1 shows that from 1995-2004 the population of Liverpool declined by another 3.1%, placing it 53rd for population growth among England’s largest 56 cities, yet there was an increase of 19.4% in employment, placing the City in 14th place. However, this still led in 2005 to an unemployment rate of 7% (50th), and the lowest employment rate of the 56 largest cities.

Figure 1: population growth and employment growth in 20 of England’s cities



Source: State of the English Cities Database 2007

As Figure 2 shows, Liverpool not only found itself in bottom place for the percentage of the working age population claiming work related benefits (16.5%) and adults with no qualifications (28.6%), but its (under)performance relative to similar cities is striking.

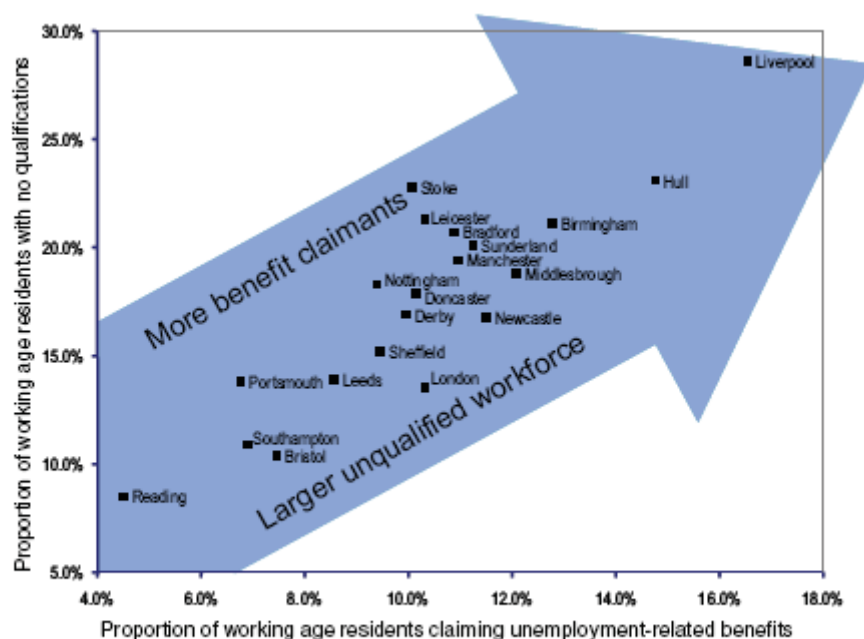
This is a stark representation of the difficulties that Liverpool faces. Far more than any other large city in the UK its population harbours a high proportion of unskilled, unemployed people, and it is easy to suspect a relationship between this and its declining population. ‘Two-track cities: the challenge of sustaining growth and building opportunity’⁹, argues that “the most economically successful cities

⁸ http://www.liverpool.gov.uk/News/newsdetail_1352.asp

⁹ Athey, Lucci & Webber, IPPR Centre for Cities, Discussion paper no.11, July 2007

tend to have lower rates of unemployment and higher rates of employment, associated with better educational attainment and lower rates of benefit claims”. If a large swathe of the population are neither working nor trained to work, the economy as a whole will suffer, and this will lead to people leaving the area.

Figure 2: Unemployment-related benefit claimants and the proportion of working age residents with no qualifications in 20 English cities (2004)



Source: State of the English Cities Database 2007

In contrast, the student population has been growing steadily. Between the academic years 1995-6 and 2000-1 the total number of students studying at Liverpool Hope, John Moores University and the University of Liverpool increased by 18.5%, from 41,783 to 49,530¹⁰. This from approximately 19,000 in 1986-7.

But it is not simply the numbers Liverpool needs; the inspiration and innovation that a university and its graduates supply are necessary for a successful future. Widening participation programmes, with students visiting schools in the local community to help raise aspirations, have the potential to alter the character of the population forever. Graduate retention strategies, operated by the universities and their local partners, will provide workers for health and other public services, and will be integral to the development of a knowledge economy – IT, business and research.

For example, the Graduate into Employment Unit (GIEU) of the University of Liverpool is responsible for Europe’s largest regional initiative linking graduate employability and life long learning with business competitiveness and regional economic development. It has helped more than 5,000 unemployed graduates to secure graduate level employment, creating over 1,250 new jobs in the process, and assisted more than 2,000 local organisations to improve their business practices. Since 2002 it has assisted 368 local companies with graduate placements, and of these, 63% have retained the graduates at the end of their placements.

¹⁰ http://www.hesa.ac.uk/index.php?option=com_content&task=view&id=801&Itemid=250

Figures from the University of Liverpool Careers & Employability Service show that almost a third of the University's graduates remain working in the Merseyside region six months after completing their courses of study, and that almost 70% of University of Liverpool graduates that were employed in Merseyside after graduation were working in 'graduate-level' occupations. Retention across all the universities was approximately 40% in 2005-6 according to the Higher Education Statistics Authority, as opposed to 30% in 1999. This is due mainly to many local students remaining in the area after graduation, but, for example, about 3% of those coming to the University of Liverpool from beyond Merseyside also choose to remain.

It has to be recognised that higher education tuition fees and the prospect of significant debt at an early age are likely to be barriers to the achievement of these changes. It is one thing to raise the aspiration of a child and its family, but quite another to convince a family living in poverty that the cost of attending university in the short term will be outweighed by the benefits in the long term. And if the character of Liverpool's population does not change, if aspiration continues to be stifled by the failure of the system to help people out of a cycle of deprivation and underachievement, then it is less likely that graduates will be retained.

Financial contribution

Today approximately 11% (50,000) of the population of Liverpool consists of higher education students. According to the UNITE Student Experience Report 2007¹¹, on average those students will spend 41% of their time in paid work, earning themselves an average £108.70 a week. The same report shows that they spend on average £180 a week on non-course related expenses. Leaving aside the contribution to the growth of the economy that student workers make, that they make as consumers is clear. Taking these figures, we can estimate that higher education students at these three institutions are spending £113 million more than they earn over a 32 week period.

The advent of large numbers of international students, paying much higher fees than UK or EU students, is also having a significant effect on the UK economy. The recent Universities UK report, 'The economic impact of UK higher education institutions', found that the "expenditure of international students attending UK HEIs in 2003-4 was estimated to be £1.5 billion... equivalent to 9% of all UK receipts from overseas visitors to the UK for the year 2004"¹².

It is fair to argue that without students, and the constant increase in their number, Liverpool would today be a very different place. Through their spending they have sustained and created jobs, making a significant contribution to the regeneration of what was a city in decline.

Housing

'Liverpool's Housing Market Research programme 1999/2001: a review of the main findings and policy recommendations'¹³ states that "the owner occupied sector has experienced decline in some areas with a corresponding increase in private renting. In other areas the growing weakness of the owner occupied sector has been masked by the demand generated by the student market for homes to rent".¹⁴ In addition "areas of student housing close to the city centre and the universities are expanding through investment in new purpose built student accommodation"¹⁵.

Nevin et al state that "the preferences of the student population and where they choose to live have a significant effect on the local housing market and most particularly on the private rented sector"¹⁶, estimating that "the demand for student accommodation in the private rented sector has grown by about 50% over the decade [1990-2000]"¹⁷.

The purpose built accommodation, by affecting preferences, therefore had a significant effect on the private rented sector as a whole by reducing demand for "the older terraced stock, and the postcodes of L6, L13, L19 and L4 [had] already experienced declines"¹⁸. The local economy also suffered, "with a significant withdrawal of spending", demonstrating very clearly the regenerative power of the student population.

¹¹ <http://www.unite-group.co.uk/data/Reports/Student%20Experience%20Report%202007.pdf>

¹² <http://bookshop.universitiesuk.ac.uk/downloads/economicimpact3.pdf>, p9

¹³ Nevin, Lee, Goodson, Groves, Hall, Murie & Phillimore, Centre for Urban and Regional Studies, University of Birmingham, May 2001

¹⁴ Ibid. p12

¹⁵ Ibid.

¹⁶ Ibid. p13

¹⁷ Ibid.

¹⁸ Ibid.

In 'New models of student housing and their impact on local communities'¹⁹, Macintyre and Clement argue that "when student accommodation is more diverse and is spread through the adjoining community rather than based on campus, other consequences are apparent. One of the most obvious of these is the stimulation of the local economy. As well as the direct investment and employment that come from the process of construction and maintenance of housing, there is a broader impact on the economy produced by the increase in the local population"²⁰. That is, wherever the students are, the money will be. Therefore it is unsurprising that the growth in City Centre purpose built accommodation has had an effect on outlying areas.

This all serves to highlight the impact that the placement of the student population has, to both demonstrate its regenerative effect and to urge careful planning. Using an example from the United States, Macintyre and Clement tell us how "universities in several regions have worked in concert with local communities and local authorities to sponsor 'neighbourhood revival programmes' in which sums up to US\$50 million have been spent. The outcomes have seen better standards of accommodation for students, refreshed housing stock for local inhabitants and a range of social improvements that have come with this improved physical environment"²¹. That is, when managed correctly, such programmes emphasise the positive effects of 'studentification' rather than the negative.

Macintyre and Clement are very clear on this point: "If student housing is thought of as little more than an option for the letting of existing degraded property, then there should be little surprise if this exacerbates social problems rather than relieves them. On the other hand, if the need for student housing is seen as an opportunity for developing and applying models of investment in new or refurbished housing, then there is every reason to suppose that the whole of the community can benefit"²².

Students are often characterised now as a burden, both social and economic, but even this cursory examination of the effects of a student population on an urban area reveals that it is in truth a great opportunity to drive forward renewal. Where this has not happened it is both unfair and disingenuous to lay the blame solely at the feet of students when community planning, or the lack of it, must surely shoulder the substantial share of the blame.

¹⁹ Macintyre, Clement (2003), *Journal of Higher Education Policy and management*, 25:2, pp109-118

²⁰ *Ibid.* p111

²¹ *Ibid.* p112

²² *Ibid.* p114

Cultural contribution

The contribution that the student population has made to Liverpool has not been merely financial. This year the City is caught up in a fervour of activity, preparing for its role as European Capital of Culture in 2008, and students have a significant role to play. Projects such as 'Culture Campus'²³ are creating new opportunities, and the ongoing activity of student societies in the areas of music, dance and drama will demonstrate what can be done with little resource but an abundance of enthusiasm and talent. The music scene that erupted in Liverpool in the 1960s and continues to this day would not have been as vibrant and lasting if it were not for students both performing themselves and supporting local performers.

After the loss of traditional industry in Liverpool, nothing immediately took its place. Generally, and in comparison to Manchester, the City has a weak financial sector, and has yet to develop jobs in the knowledge economy, although positive moves are being made in this direction. Where there has been significant growth it has been in the public sector, which tends not to suggest vibrancy and dynamism, and much of this employment is related to deprivation, for example in healthcare, or has resulted from government drives to lower costs by moving operations from the south.

The most significant growth, however, has clearly been in the retail and service sectors, but shops and bars alone cannot grow an economy, at least not a sustainable one. Where similar regeneration has occurred, such as in Manchester, the growth of the cultural industry has followed that of the service industry, so it is pertinent to ask from whence in Liverpool the same developments will come.

Macintyre and Clement argue that the potential contribution of a student population "can be readily seen in relation to cultural expression, in that the quite specific demographic and economic profile that is represented by most student populations will have a significant impact upon the cultural and social dynamic of a community"²⁴.

Citing Bianchini²⁵, they argue that "such economic activities as 'leisure, tourism, the media and other "cultural industries" including fashion and design' can 'compensate for jobs lost in traditional industrial sectors'²⁶. These activities are often introduced and developed either in direct response to the student population, or indeed by it. Where this has been experienced in a range of European cities, they tell us, "such activities also act to integrate disparate groups and so provide an important means of building a more cohesive social fabric"²⁷.

Between 1994-5 and 1999-2000 Merseyside saw an increase in racist incidents of over 500%. If we recognise that such a large increase could in part be due to changes in reporting and police practice we may wish to look at the most recent figures; between 1998-9 and 1999-2000 that increase was 153%. It is therefore clear that the area is dealing with significant problems of hate crime, and that new and innovative solutions are required.

A large, diverse student population, when properly integrated into the community, can serve to introduce it to a wider range of ethnic and cultural backgrounds, and an increasingly tolerant attitude. It has been made abundantly clear by past world events – in Germany, South Africa and Bosnia to

²³ <http://www.culturecampus.co.uk/>

²⁴ Macintyre, Clement (2003), *Journal of Higher Education Policy and management*, 25:2, p112

²⁵ 'Remaking European Cities: the role of cultural policies' in F Bianchini & M Parkinson (Eds), *Cultural Policy and Urban Regeneration, The West European experience*, p1-20, MUP, 1993

²⁶ Macintyre, Clement (2003), *Journal of Higher Education Policy and management*, 25:2, p112

²⁷ Ibid.

name but a few – that ignorance breeds fear, intolerance and prejudice. Extending one's education serves both to introduce one to new people and new ideas that are likely to eradicate the idea that one group is either better or worse, more or less valued, than another.

Again, if seen as an integral element of the community, and if planned for, students can be not only productive and valued members of that community, but collectively a driver of positive social change. The student population is increasingly diverse in terms of age, ethnicity, and cultural background, introducing elements to an area that were previously entirely lacking, in addition to bringing with it an abundance of energy, enthusiasm and ideas.

Conclusion

As mentioned briefly above, Universities UK has identified various positive social, cultural, physical and economic effects that well managed student populations bring²⁸, most of which have been mentioned in this submission. The social include the student contribution to volunteering; student housing preventing depopulation; an increase in the range of goods, services and attractions; improved transport links; and better social services, such as nurseries and multi faith centres. In terms of culture they can create demand for a diverse range of cultural events, enhance the reputation of an area as vibrant and dynamic, and help to create a cosmopolitan outlook. The physical environment can be transformed due to demand for quality housing, the attraction of a student population for various businesses, and a shift in the type and scale of retail and entertainment services. Finally, economically, the demand for housing stimulates private investment and raises house prices, students as workers and consumers contribute heavily to the local economy, businesses that may not otherwise have been viable are able to flourish, and a graduate workforce is there for the taking.

However, the debate surrounding higher education tuition fees has centred solely on the fact that graduates on average earn more than those who do not attend higher education, that being a graduate affords one access to top jobs with top salaries. But how many graduates work in our public services? Are doctors, nurses, social workers, and civil servants?

To argue about how much money an individual is likely to earn as a result of this or that is to do the debate about higher education a gross disservice. For what is at stake is a much higher prize: the place afforded education and the sharing and development of knowledge in our society, and the subsequent positive benefits.

In his Labour party conference speech in 1999, in which he announced the party's target of 50% of young adults entering higher education, the then Prime Minister Tony Blair referred to education as "the greatest liberator of human potential there is"²⁹, echoing Nelson Mandela when he said that "education is the most powerful weapon which you can use to change the world". He then went on to argue that "if we are to succeed in the knowledge economy, we need - as parents, as teachers, as a country - to get a whole new attitude to learning"³⁰.

In December 2005, the then higher education minister, Bill Rammell, responded to the finding of the British Social Attitudes survey that 77% of the British population think that students should contribute to the cost of their university education by saying that "whatever people's background, there is agreement on the need for fees. This shows that our message on the benefits of higher education and the government's policy on student finance is getting through and that people agree that we are heading in the right direction"³¹.

Is it something to be proud of when the people of a supposedly advanced democracy 'get the message' that graduates are the sole beneficiaries of their education? That there is a price on liberating one's potential? Was this what Tony Blair meant by a whole new attitude to learning?

This submission has attempted to demonstrate that charging higher education students for their tuition ignores the myriad economic and social benefits that they afford areas badly in need of

²⁸ 'Studentification: a guide to opportunities, challenges and practice', January 2006

²⁹ <http://www.guardian.co.uk/lab99/Story/0,,202189,00.html>

³⁰ Ibid.

³¹ <http://education.guardian.co.uk/students/tuitionfees/story/0,,1665563,00.html>

regeneration, yet the real argument on the lips of students is that education is central to the development of a good society. This argument has not been its focus because advancing a philosophical position has lost currency in our current political climate, a fact that is itself evidence that education and the pursuit of knowledge are no longer valued as they once were.

A recent debate held at the University of Liverpool as part of BBC Radio 3's 'Free Thinking' festival was entitled 'What's the point of a university?'. It was clear that the producers hoped for a polarised discussion, with instrumentalist arguments going head to head with idealist ones – skills vs. knowledge for its own sake. But the arguments that carried favour with the audience were those that balanced the two. Of course our society needs people to be equipped with skills that will benefit it, that will prove themselves 'useful', but can education not also furnish us with an understanding of our world so that we can appreciate it in all its wonder and diversity? Does an ability to analyse and understand not benefit everyone, in all walks of life?

John Dewey, an educational reformer and a founder of the school of pragmatism, believed "that education is the fundamental method of social progress and reform. All reforms which rest simply upon the law, or the threatening of certain penalties, or upon changes in mechanical or outward arrangements, are transitory and futile... But through education society can formulate its own purposes, can organize its own means and resources, and thus shape itself with definiteness and economy in the direction in which it wishes to move... Education thus conceived marks the most perfect and intimate union of science and art conceivable in human experience".

Pragmatism holds that theory and practice are bound together, that without theory we cannot truly understand practice and therefore cannot implement it successfully. That is, although it is important that we act, that we possess skills, we must understand in order to act intelligently, and to understand we must reflect.

Higher education affords everyone who partakes of it the time to come to better know one's world, to understand the role that one can play, and to appreciate the origin and development of the skills that we pass down through the generations. It is in this way that higher education most, and most importantly, benefits our entire society. By asking people to pay for their higher education tuition we make the knowledge and understanding it delivers a product to be owned and jealously guarded, as opposed to a gift to be entrusted with and shared benevolently.

