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Executive Summary

This study was commissioned by the University of Kent. It was undertaken in early 2018 and is a 'snapshot' of the economic impact generated by the University in the academic and financial year 2015/16 (the latest year for which data were available.)

The study undertook modelled analysis of the expenditure of the University of Kent as well as the personal (non-fee) expenditure of University of Kent Students.

The University has campuses in Canterbury and Chatham as well as a study centre in Tonbridge, Kent. The study included detailed modelled analysis of the distribution of university impact flowing out from the two campuses at Canterbury and Chatham (Medway), across Kent and the rest of the South East as well as the impact on the UK as a whole.

Key Results for impact on the local and regional economy

Impact on Canterbury

Output

• The University of Kent generated £342.9m (directly and through secondary or ‘knock-on’ effects) in Canterbury itself, with an additional £142.9m of output generated by the personal expenditure of students, making a total of £485.7m of output in Canterbury.

Employment

• The University directly provided 2969 full-time equivalent (FTE) jobs in Canterbury and generated a further 1166 FTE jobs in the city. Added to this are the 1242 FTE jobs in the City created by the personal expenditure of students to make a total of 5377 FTE jobs in Canterbury dependent on the University’s activities. This is equivalent to 10% of Canterbury 2015 employment.

GVA

• The University generated £208.5m of GVA (directly and through secondary or ‘knock-on’ effects) in Canterbury itself, with an additional £67.3m of GVA generated in Canterbury businesses by the personal expenditure of students, making a total of £275.8m of GVA in Canterbury. This was equivalent to 9% of Canterbury GVA.

Impact on Medway Towns

Output

• The University of Kent generated £38.1m (directly and through secondary or ‘knock-on’ effects) across Medway area with an additional £19.5m of output generated by the personal expenditure of students, making a total of £57.6m of output in the Medway Towns.

Employment

• The University generated 404 full-time equivalent (FTE) jobs across the Medway Towns. Together with 169 FTE jobs in Medway created by the personal expenditure of students this made a total of 573 FTE jobs in Medway dependent on the University’s activities. This was equivalent to 0.8% of Medway 2015 employment.

GVA

• The University generated £24.1m of GVA (directly and through secondary or ‘knock-on’ effects) in Medway Towns, with an additional £9.2m of GVA generated in Medway businesses by the personal expenditure of students, making £33.3m of GVA in the Medway Towns. This was equivalent to 0.7% of Medway GVA.
Impact on Kent as a whole (including Canterbury and Medway Towns)

Output
- The University of Kent generated £423.1m (directly and through secondary or ‘knock-on’ effects) across Kent (including Canterbury and Medway Towns), with an additional £211.4m of output generated by the personal expenditure of students, making a total of £634.5m of output in Kent.

Employment
- The University generated 4988 full-time equivalent (FTE) jobs across Kent (including in Canterbury and Medway Towns). Together with 1837 FTE jobs in the county created by the personal expenditure of students this made a total of 6825 FTE jobs in Kent dependent on the University’s activities. This was equivalent to 1.4% of Kent 2015 employment.

GVA
- The University generated £254.5m of GVA (directly and through secondary or ‘knock-on’ effects) in Kent, with an additional £99.5m of GVA generated in Kent businesses by the personal expenditure of students, making £354m of GVA in Kent. This was equivalent to nearly 0.9% of Kent GVA.

Total Impact on the South East Region of England

Output
- The University of Kent generated £549.7m (directly and through secondary or ‘knock-on’ effects) across the South East Region with an additional £357.9m of output generated by the personal expenditure of students, making a total of £907.6m of output in the South East.

Employment
- The University generated 6338 full-time equivalent (FTE) jobs across the South East. Together with 3110 FTE jobs in the South East created by the personal expenditure of students this made a total of 9448 FTE jobs in the South East dependent on the University’s activities. This was equivalent to just over 0.19% of South East 2016 workforce jobs.

GVA
- The University generated £320.6m of GVA (directly and through secondary or ‘knock-on’ effects) in the South East, with an additional £168.5m of GVA generated in South East businesses by the personal expenditure of students, making £489.1m of GVA in the South East. This was equivalent to 0.2% of South East GVA.

Total Impact on the UK

Output
- The University of Kent generated £594.3m (directly and through secondary or ‘knock-on’ effects) across the UK with an additional £371.8m of output generated by the personal expenditure of students, making £966.1m of output in the UK. However, to take account of displacement issues, the impact of UK domestic students on the rest of the UK outside the South East is disregarded.
expenditure of students and their visiting family and friends, making a total of £966.1m of output in the UK.

Employment

- The University generated 6706 full-time equivalent (FTE) jobs across the UK. Together with 3206 FTE jobs in the UK created by the personal expenditure of this made a total of 9912 FTE jobs in the UK dependent on the University’s activities.

GVA

- The University generated £342.1m of GVA (directly and through secondary or ‘knock-on’ effects) in the UK, with an additional £174.2m of GVA generated in UK businesses by the personal expenditure of students, making a total contribution to UK GDP of £516.4m.

Export Earnings

- The University was a significant export earner for the UK in 2015/2016. Non EU students paid £36.4m in fees and fees paid by students from the rest of the EU was estimated to be £13.4m. The University earned a further £14.5m for research and other services paid from international sources. Added to this was the estimated £77.4m of off-campus personal spending of international students, making a total of £141.7m in export earnings.

Background to the Study

This study was commissioned by the University of Kent. It was undertaken in early 2018 and is a ‘snapshot’ of the economic impact generated by the University in the academic and financial year 2015/16 (the latest year for which data were available.)

The study undertook modelled analysis of the expenditure of the University of Kent as well as the personal (non-fee) expenditure of University of Kent Students.

The University has campuses in Canterbury and Medway as well as a study centre in Tonbridge, Kent. The study included modelled analysis of the distribution of university impact flowing out from the two campuses at Canterbury and Medway across Kent and the rest of the South East as well as its impact on the UK as a whole.

Data Sources and Methodology

Data used included information relating to the University’s income and expenditure, staff and student numbers from Higher Education Statistics Agency (HESA) data for 2015/16, supplemented by more detailed information on finance, staffing and student numbers by domicile of origin provided by the University of Kent itself. Other data sources included the Office of National Statistics labour market and economic data (including NOMIS\(^2\)) and other official data and a number of University of Kent’s own published documents such as the Annual Report and Financial Statements.

Impact on the UK and South East Region was modelled using an input output model of the UK with a regional extension (using location quotients) for the South East. This model was purpose built for modelling higher education impact and has been used for many other university impact studies.

\(^2\) See: [https://www.nomisweb.co.uk/](https://www.nomisweb.co.uk/)
across the UK including those undertaken for major HE agencies and government departments as well as individual universities.\textsuperscript{3} The model includes analysis of direct and secondary effects.\textsuperscript{4}

The distribution of regional impact from Canterbury and Medway Towns across Kent and the rest of the South East was then analysed through the construction of a University of Kent-specific ‘Gravity Modelling System.’ This purpose-built Gravity Modelling System combined a range of mass and distance variables\textsuperscript{5} to model flow of impact out from 2 key points of initial impact in the South East (Canterbury and Chatham) to reflect the 2 main centres of university campus activity. The distribution of impact from each initial point was modelled and the results were then combined to be able to present the overall flow of University of Kent impact across the South East.

Impact results are presented in terms of impact on output, FTE employment and GVA. Outcome multipliers were calculated for the University (i.e., for example, how many jobs are generated outside the University for every job inside the University) and these are included in Appendix Two. It is important to note that this study involved detailed and bespoke analysis of the University of Kent and its impact. It did not use or ‘borrow’ multipliers from any other study or modelling system – the outcome multipliers presented are University of Kent-specific and are derived from the modelled results. This is only possible in studies which comprise original and bespoke modelling.

About the University of Kent

The University of Kent has its main campus base in Canterbury on the South East Coast of England. It has an additional campus in Medway, as part of the Universities at Medway collaboration on the historic dockyard site at Chatham. It also has a study centre in Tonbridge, Kent as well as postgraduate centres in Brussels, Paris, Athens and Rome. The University was granted its Royal Charter as a University in 1965. It has a strong international outlook with an emphasis on building international links and partnerships across Europe and beyond. It has a wide academic portfolio including Humanities, Science, Social Science and Business.

Finance, Students and Staffing

Finance

In 2015/16 the University reported a total income of £253.8 million with expenditure in the same year of £247.7m. The majority of university income came from tuition fees (61%), Higher Education Funding Council grants accounted for a further 12% and research contract funding made up 7%. The University also earned 20% of its income from other sources including for residence and catering, consultancy and other services, with donations and endowments making up 1% of its overall income (Figure 1.)

\textsuperscript{3} This model was originally constructed as part of work for Universities UK in modelling UK higher education impact. The full mathematical specification of the model can be found in annexe B of the 2014 Universities Uk report The impact of universities on the UK economy http://www.universitiesuk.ac.uk/policy-and-analysis/reports/Pages/impact-higher-education-institutions-uk-economy.aspx
\textsuperscript{4} Secondary effects incorporate both indirect and induced effects.
\textsuperscript{5} ( Labour Market data from Nomis https://www.nomisweb.co.uk/ combined with travel time by road )
Students
With over 21,600 students, the University provides opportunities for local students as well as acting as a magnet to attract highly qualified applicants from the rest of the UK and further afield. Figure 2 shows where students come from. In 2015/16, 16% of students came from Kent, 4% from Medway and 14% from other parts of the South East. 40% of students came from other parts of the UK and 26% of the overall student population were international students (with 16% from non-EU countries and 10% from EU countries.)

Staff
The University directly employed over 3,900 staff which translated into 3215 FTE. Figure 3 shows the overall profile of staff occupations. There are staff in nearly every occupational category but with a clear specialism in ‘white collar’ particularly professional positions. All academic staff are included in SOC 2
Professional occupations as are a number of support staff such as Librarians. The apparently small number of Managerial staff is reflects the university structure where a number of senior management positions will be held by people who are also classified as academic staff.

*Figure 3: University of Kent Staff Profile 2015/16*

Source: [HESA Staff in Higher Education 2015/16](#)

**Export Earnings**

The University was a significant export earner for the UK in 2015/2016. Non EU students paid £36.4m in fees and fees paid by students from the rest of the EU was estimated to be £13.4m. The University earned a further £14.5m for research and other services paid from international sources. Added to this was the estimated £77.4m of off-campus personal spending of international students, making a total of £141.7m in export earnings.

**Modelling economic impact**

*University of Kent Impact on the UK*

The University of Kent spent nearly £248 million in 2015/16. Through this expenditure (including staff costs as well as general operating expenditure) the University generated employment and output throughout the economy as well as contributing to GDP. Figure 4 illustrates the process through which this is achieved.

In order to fulfil University of Kent orders, University of Kent suppliers spend money with their own suppliers, who in turn hire staff and buy in supplies from others, who in turn would spend money with their suppliers and so on, with impact rippling through the economy. University staff expenditure in shops and on consumer goods creates income and generates demand for other consumer goods and service, and so on.
The direct output of the University of Kent came to £253.8m. It generated additional output of £340.5m in other industries through its expenditure. Overall the University of Kent generated total output in the UK of £594.3m. This is shown in Figure 5.

The majority of the impact (93%, including the University’s own output) was in the South East region with 7% flowing to other parts of the UK.

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**Figure 4: University of Kent Expenditure generating economic activity**

<table>
<thead>
<tr>
<th>University of Kent Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goods &amp; Services</td>
</tr>
<tr>
<td>Staff Wages</td>
</tr>
</tbody>
</table>

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**Figure 5: Total Output Impact on the UK and South East of England**

The income or ‘turnover’ of the University is equivalent to its direct output.

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6 The income or ‘turnover’ of the University is equivalent to its direct output.
Impact on UK employment

Total employment generated by the University came to 6706 full-time-equivalent jobs in the UK. 3215 of these were jobs in the University itself, with a further 3123 created outside the University in other parts of the South East and additional 368 FTE jobs in the rest of the UK. This is shown in Figure 6.

Figure 6: Total UK Employment generated by the University of Kent 2015/16

Impact on GDP

The total impact on UK GDP\(^7\) of the University of Kent amounted to £342.1m. This includes the University of Kent’s direct GVA\(^8\) of £168.3m (49% of the total) and a further £152.3m in other South East industries and £21.6m in the rest of the UK. This is shown in Figure 7.

Figure 7: GVA generated by the University of Kent

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\(^7\) Gross Domestic Product

\(^8\) Gross Value Added - the industry and firm level measure of contribution to GDP
Additional impact on the UK of international student personal spending.
Results for the impact of all student personal expenditure on the economy is presented as part of the impact on the regional and local economies. However when considering total UK impact only expenditure of international students would normally be considered as only international student personal expenditure is ‘additional’ to the UK economy. The personal spending of the 5174 International students attracted by the University of Kent (students from both non EU and EU countries) was estimated to be £77.4m. This expenditure generated £106.2m of output, 898 FTE jobs in the UK and contributed £49.2m to UK GDP.

Regional and local impact

Modelling distribution of impact across the South East
Modelling the local and regional dimension of the University of Kent impact was of particular interest for this study. As well as the importance of the University in supporting regional innovation and growth through its research and teaching, as a large enterprise in itself the University has a de facto important influence on the local economy. With campuses in Canterbury and in Medway the distribution of impact will also be more diffuse than if there was a single campus in Canterbury alone.

In order to analyse the more local impact, we constructed a University of Kent specific gravity modelling system. A gravity model takes an intuitive approach to modelling impact distribution. It combines indicators of economic ‘mass’ (in this case concentrations of employment) together with measures of distance (in this case travel time by road) from the source of the impact. It enables a better representation of where impact generated by the University eventually flows.

A large part is likely to be concentrated in the host town but not all the Institution’s requirements (nor those of its staff) will be met by suppliers in the immediate locality, and not all the needs of their suppliers will be met in the local area. Hence impact flows further afield to where those requirements are most likely to be met – concentrations of economic activity moderated by distance. The further away from the original source of impact, the weaker the flow.

With the University of Kent, while the majority of expenditure originated in Canterbury, there was also another initial point of impact in Chatham. The gravity modelling system incorporated both points of impact and modelled flow from those points separately. This was then combined to present the overall picture.

There are overlapping flows of impact from each point so that, for example, expenditure in Chatham will still have an impact on the Canterbury area as the impact flows out from Chatham across the South East. Conversely expenditure in Canterbury will also have an impact on Chatham as it flows out across the South East area. The concept is illustrated in Figure 8.
Institutional impact on local and regional output

Looking initially at the impact from flow from the University alone (i.e. not including student expenditure), the majority of University impact (which includes direct and secondary impact) can be seen to be in Kent, with most of that concentrated in Canterbury. Table 1 shows the distribution of the overall impact of the University (£594.3m) and Figure 9 focusses on the distribution within the South East (£549.7m.)

Table 1: University of Kent institutional impact on all UK output

<table>
<thead>
<tr>
<th>Output</th>
<th>Direct £m</th>
<th>Secondary £m</th>
<th>Total Impact £m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canterbury</td>
<td>229.3</td>
<td>113.6</td>
<td>342.9</td>
</tr>
<tr>
<td>Medway Towns</td>
<td>24.5</td>
<td>13.6</td>
<td>38.1</td>
</tr>
<tr>
<td>Rest of Kent</td>
<td>0.0</td>
<td>42.1</td>
<td>42.1</td>
</tr>
<tr>
<td><strong>ALL Kent incl. Medway Towns</strong></td>
<td><strong>253.8</strong></td>
<td><strong>169.3</strong></td>
<td><strong>423.1</strong></td>
</tr>
<tr>
<td>Rest of South East</td>
<td>0.0</td>
<td>126.6</td>
<td>126.6</td>
</tr>
<tr>
<td><strong>ALL South East</strong></td>
<td><strong>253.8</strong></td>
<td><strong>295.9</strong></td>
<td><strong>549.7</strong></td>
</tr>
<tr>
<td>Rest of UK</td>
<td>0.0</td>
<td>44.6</td>
<td>44.6</td>
</tr>
<tr>
<td><strong>Total UK</strong></td>
<td><strong>253.8</strong></td>
<td><strong>340.5</strong></td>
<td><strong>594.3</strong></td>
</tr>
</tbody>
</table>

Source: Viewforth Modelled Analysis 2018 Totals may not sum due to rounding

Figure 9 shows that 77% of impact was felt in the Kent area (62% in Canterbury, with 7% in Medway Towns and 8% in the rest of Kent), with 23% flowing to the rest of the South East.
Institutional impact on local and regional employment

The picture is similar for employment generated (Table 2 and Figure 10), with the majority of employment generated (4988 FTE jobs) being in Kent (including Canterbury and Medway Towns.).

Table 2: University of Kent institutional impact on all UK employment

<table>
<thead>
<tr>
<th>Table 2</th>
<th>FTE Jobs</th>
<th>Direct FTE</th>
<th>Secondary FTE</th>
<th>Total FTE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canterbury</td>
<td>2969</td>
<td>1166</td>
<td>4135</td>
<td></td>
</tr>
<tr>
<td>Medway Towns</td>
<td>246</td>
<td>158</td>
<td>404</td>
<td></td>
</tr>
<tr>
<td>Rest of Kent</td>
<td>0</td>
<td>449</td>
<td>449</td>
<td></td>
</tr>
<tr>
<td><strong>ALL Kent incl Medway Towns</strong></td>
<td><strong>3215</strong></td>
<td><strong>1773</strong></td>
<td><strong>4988</strong></td>
<td></td>
</tr>
<tr>
<td>Rest of South East</td>
<td>0</td>
<td>1350</td>
<td>1350</td>
<td></td>
</tr>
<tr>
<td><strong>ALL South East</strong></td>
<td><strong>3215</strong></td>
<td><strong>3123</strong></td>
<td><strong>6338</strong></td>
<td></td>
</tr>
<tr>
<td>Rest of UK</td>
<td>0</td>
<td>368</td>
<td>368</td>
<td></td>
</tr>
<tr>
<td><strong>Total UK</strong></td>
<td><strong>3215</strong></td>
<td><strong>3491</strong></td>
<td><strong>6706</strong></td>
<td></td>
</tr>
</tbody>
</table>

Source: Viewforth Modelled Analysis 2018 Totals may not sum due to rounding

Figure 10 shows the proportional regional distribution of employment, with 79% of all South East employment generated being in Kent (65% in Canterbury and 7% in Medway Towns with 7% in the rest of Kent) and the remaining 21% elsewhere in the South East.
Institutional impact on local and regional GVA

Table 3 and Figure 11 shows the distribution of GVA, again showing the majority of GVA generated (which includes the University’s own direct GVA) to be in Kent (including Medway).

Table 3: All UK GVA impact of the University of Kent

<table>
<thead>
<tr>
<th>GVA</th>
<th>Direct £m</th>
<th>Secondary £m</th>
<th>Total Impact £m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canterbury</td>
<td>152.2</td>
<td>56.3</td>
<td>208.5</td>
</tr>
<tr>
<td>Medway Towns</td>
<td>16.1</td>
<td>8.0</td>
<td>24.1</td>
</tr>
<tr>
<td>Rest of Kent</td>
<td>0.0</td>
<td>21.9</td>
<td>21.9</td>
</tr>
<tr>
<td><strong>ALL Kent incl Medway Towns</strong></td>
<td><strong>168.3</strong></td>
<td><strong>86.2</strong></td>
<td><strong>254.5</strong></td>
</tr>
<tr>
<td>Rest of South East</td>
<td>0.0</td>
<td>66.0</td>
<td>66.0</td>
</tr>
<tr>
<td><strong>ALL South East</strong></td>
<td><strong>168.3</strong></td>
<td><strong>152.3</strong></td>
<td><strong>320.6</strong></td>
</tr>
<tr>
<td>Rest of UK</td>
<td>0.0</td>
<td>21.6</td>
<td>21.6</td>
</tr>
<tr>
<td><strong>Total UK</strong></td>
<td><strong>168.3</strong></td>
<td><strong>173.8</strong></td>
<td><strong>342.1</strong></td>
</tr>
</tbody>
</table>

Source: Viewforth Modelled Analysis 2018 Totals may not sum due to rounding

In Figure 11 the regional proportions are shown. The relatively larger share of GVA than output accruing to Canterbury (65% compared to 62% output) is because most of the University’s direct GVA is attributed to its main base in Canterbury where the majority of staff are employed. As a particularly high skill organisation the University will tend to have a higher GVA relative to most of its suppliers. 

Organisations that are both labour intensive and highly skilled tend to have a higher GVA to output ratio than those which are more capital intensive or which need to buy in a significant proportion of materials to produce their outputs.
To illustrate the comparatively high contribution to Canterbury GVA compared to other Canterbury industries, the GVA of the University in Canterbury was compared to that of other industries. This is shown in Figure 12 below. It can be seen that the University – as a single organisation – contributes more to Canterbury GVA than a number of entire industries based in Canterbury.  

**Figure 11: University of Kent Institutional impact on local and regional GVA**

**Figure 12: University of Kent contribution to Canterbury GVA**

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10 As the University’s £152m GVA would be included in the overall Canterbury GVA (as part of Public administration, education and health, the total GVA contribution of the Public Administration, education and health sector was reduced by £152m so that the University can be compared in the same chart.
Additional impact of student personal expenditure

The fees that students pay to the University form part of the University income and expenditure flows and hence the impact of student fees paid is captured within the institutional impact that has already been presented. However the personal (non-fee) expenditure of students is substantial and is of significant importance at a local level, with many local businesses dependent on the student trade. In total the personal (non-fee) expenditure of students amounted to an estimated £300m, with £240m of this being money brought into Kent and Medway Towns by students from outside these areas – from the rest of the South East, from the rest of the UK and from other countries (the remaining £60m being local Kent and Medway Towns student expenditure.)

Students spend money on food, accommodation, clothing, travel, and entertainment generating business for local landlords, shops, bars and restaurants. Some spending will not be entirely local (for instance where online purchases are concerned.) However much personal consumer expenditure by its nature has to be local (e.g. spending in bars, restaurants, coffee shops, etc. as well as on personal services such as hairdressing.) The thriving environment of the campus and environs will be very dependent on the student pound.

The detailed results for student impact, disaggregated by different groups of students (Students from Kent, Medway Towns students, Students from the rest of the South East, Students from the rest of the UK, rest of EU and Non-EU students) is presented in in Appendix One. While at a UK level only international student expenditure is usually regarded as relevant (as only international student expenditure is additional to the UK as a whole), the impact of all student expenditure is of interest at regional and local level. In this study we assume that the impact of all student expenditure is important, on the basis that the money is either being attracted into the local economy from elsewhere (80% of the 2015/16 expenditure was estimated as coming into Kent and Medway or being retained in the Kent and Medway economies (20% of the total expenditure was retained) as students stay in their local area rather than go elsewhere. The detailed disaggregation of the impact each group of students’ expenditure is provided in Appendix One for information and also for use where needed in different policy fora.

Overall, student personal expenditure generated £357.9 of output, £168.5m of GVA and 3110 FTE jobs in the South East region. Around 59% of South East impact was in the Kent area (40% in Canterbury and 5% in the Medway Towns area) and the remaining 41% elsewhere in the South East. The distribution of employment impact is shown in Table 4 and Figure 13.

<table>
<thead>
<tr>
<th></th>
<th>Employment impact (FTE)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canterbury</td>
<td>1242</td>
</tr>
<tr>
<td>Medway Towns</td>
<td>169</td>
</tr>
<tr>
<td>Rest of Kent</td>
<td>425</td>
</tr>
<tr>
<td>All Kent (including Canterbury &amp; Medway Towns)</td>
<td>1837</td>
</tr>
<tr>
<td>Rest of South East</td>
<td>1273</td>
</tr>
<tr>
<td>ALL South East</td>
<td>3110</td>
</tr>
<tr>
<td>Rest of UK</td>
<td>96</td>
</tr>
<tr>
<td>Total UK</td>
<td>3206</td>
</tr>
</tbody>
</table>

Source: Viewforth Modelled Analysis 2018

The distribution of employment impact from student expenditure is more dispersed across the South East than that of the University mainly because the University’s impact includes its own employees.
This section presents the local and regional impact of the University of Kent together with the impact of student personal expenditure. This gives the most comprehensive picture of the importance of the University of Kent to the South East economy.

Figures 14, 15 and 16 present the overall impact on the South East Region (Direct and Secondary)\textsuperscript{11} in terms of output, employment and GVA with the proportions of impact accruing to Canterbury, the Medway Towns, the rest of Kent, and the rest of the South East.

It can be seen that, across every measure, the majority of impact is in Kent –(including Canterbury and Medway Towns) between 70\% - 72\%, and just over one quarter (c. 28-30\%) being in the rest of the South East. Full disaggregated detail is included in Appendix One.

This section illustrates some of the results and puts these into context.

\textsuperscript{11} ‘Direct’ output, employment and GVA is that of the University itself. Secondary output, employment and GVA is that generated in other businesses outside the university by the expenditure of the university and its staff.
Impact on the South East Region

*Figure 14: Output generated in the South East Region by the University of Kent and its students*

Output generated in the South East Region by the University of Kent and its students £908 million

Source: Viewforth Modelled Analysis 2018

*Figure 15: Jobs generated in the South East Region by the University of Kent and its students*

Employment generated in the South East Region by the University of Kent and its students
Total 9448 FTE jobs

Source: Viewforth Modelled Analysis 2018

In total, 9448 FTE jobs were generated across the South East. 5377 of these were in Canterbury, 574 in Medway Towns, a further 874 in the rest of Kent and 2623 in the rest of the South East. The 9448 FTE
jobs generated represent 0.19% of all South East Region employment, which is significant for a single organisation in such a large region.12

At a more local level the significance is even more striking.

- The 5377 FTE jobs in Canterbury were equivalent to over 10% of all Canterbury employee jobs.13
- Total Kent employment (6825, including Canterbury and Medway Towns) was equivalent to 1.4% of all Kent employee jobs.14
- The share of Medway employee jobs came to just over 0.8%.15

Figure 16: GVA generated in the South East Region by the University of Kent and its students

For comparison, the total regional GVA generated of £489m as equivalent to nearly 0.2% of 2015 South East Regional GVA.16 Total GVA generated in Canterbury (£275.8m) was equivalent to just over 9% of Canterbury GVA.17 The £33.3m of GVA generated in Medway made up nearly 0.7% of all Medway 2015 GVA.18 The £354m of GVA in Kent as a whole was equivalent to 0.9% of all Kent GVA.19

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12 All South East employment in 2016 came to 4.9 million (ONS 2016)
13 Nomis (2017). There were 64000 Canterbury employee jobs in 2016. (The definition of employee jobs excludes self-employed, government-supported trainees, HM Forces and all farm-based agriculture. However it is also a headcount figure whereas the impact jobs are FTEs so in practice this may understate University’s impact may be understated as a share of all employment. By translating the part-time jobs into Fulltime on the basis of 2 x Part time jobs = 1 Fulltime job, the numbers are more compatible – making 51,000 full time employee jobs in Canterbury. We have used this full time approximation throughout for comparisons.
14 Nomis (2016) Total employee jobs (headcount 605,000, FT translation 506,500)
15 Nomis (2016) There were 86,000 (headcount) employee jobs in Medway in 2015, FT translation 72,500.
16 ONS (2016) South East GVA came to £249,174 million
17 ONS (2017) Canterbury 2015 GVA was estimated as £3050m.
18 ONS (2017) 2015 Medway GVA was £4794m.
19 ONS (2017) 2015 Kent GVA was £37,783m.
Conclusions

This study analysed the economic impact of the University of Kent in the academic and financial year 2015/16. Results are presented for the impact of the University in terms of impact on output, employment and GVA at local, regional and UK level. Additional analysis was undertaken of the impact of student personal (non-fee) expenditure, with a particular emphasis on the importance of student expenditure at the local level.

This study shows that the University of Kent is of major importance to both the local and the wider regional economy. The University is clearly making an important contribution across the South East but is of particular importance to Canterbury, Medway Towns and Kent, with the jobs generated in Canterbury being equivalent to 10% of Canterbury employment, jobs generated in Medway being equivalent to 0.8% of Medway jobs and those in Kent overall being 1.4% of Kent jobs.
Appendix One: Disaggregated results for impact of the University of Kent and Kent Students 2015/16.

1: OUTPUT

<table>
<thead>
<tr>
<th>Output</th>
<th>Direct £m</th>
<th>University Secondary Impact £m</th>
<th>Total University Impact</th>
<th>Non EU Students</th>
<th>Rest of EU Students</th>
<th>Rest of UK Students</th>
<th>Rest of South East Students SE</th>
<th>Kent Students</th>
<th>Medway Students</th>
<th>Total Impact of Student Personal Expenditure £m</th>
<th>Total Impact £m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canterbury</td>
<td>229.3</td>
<td>113.6</td>
<td>342.9</td>
<td>25.3</td>
<td>15.4</td>
<td>53.7</td>
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<td>23.4</td>
<td>3.9</td>
<td>142.9</td>
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<tr>
<td>Medway Towns</td>
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<td>38.1</td>
<td>2.2</td>
<td>1.3</td>
<td>9.0</td>
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<td><strong>423.1</strong></td>
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<td><strong>211.4</strong></td>
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<td>126.6</td>
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<td>59.5</td>
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<td><strong>34.9</strong></td>
<td><strong>142.0</strong></td>
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<td>0.0</td>
<td>0.0</td>
<td>13.9</td>
<td>58.5</td>
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<td><strong>40.1</strong></td>
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<td><strong>58.2</strong></td>
<td><strong>13.5</strong></td>
<td><strong>371.8</strong></td>
<td><strong>966.1</strong></td>
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Source: Viewforth Analysis 2018 (Totals may not sum due to rounding)
2. Employment

<table>
<thead>
<tr>
<th>Jobs</th>
<th>Direct FTE</th>
<th>University Secondary Impact FTE</th>
<th>Total University Impact</th>
<th>Non EU Students</th>
<th>Rest of EU Students</th>
<th>Rest of UK Students</th>
<th>Rest of South East Students SE</th>
<th>Kent Students</th>
<th>Medway Students</th>
<th>Total Impact of Student Personal Expenditure FTE</th>
<th>Total Impact FTE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canterbury</td>
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<td>1166</td>
<td>4135</td>
<td>220</td>
<td>134</td>
<td>466</td>
<td>184</td>
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<td>1242</td>
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<tr>
<td>Medway Towns</td>
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<td>11</td>
<td>78</td>
<td>23</td>
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<td>573</td>
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<tr>
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<td>40</td>
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<td>61</td>
<td>69</td>
<td>18</td>
<td>425</td>
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<td>874</td>
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<tr>
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<td><strong>304</strong></td>
<td><strong>185</strong></td>
<td><strong>717</strong></td>
<td><strong>268</strong></td>
<td><strong>299</strong></td>
<td><strong>63</strong></td>
<td><strong>1837</strong></td>
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<td><strong>9448</strong></td>
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<td>368</td>
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<td>0</td>
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<td>96</td>
<td>96</td>
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<td><strong>Total UK</strong></td>
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<td><strong>6706</strong></td>
<td><strong>559</strong></td>
<td><strong>339</strong></td>
<td><strong>1234</strong></td>
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<td><strong>506</strong></td>
<td><strong>117</strong></td>
<td><strong>3206</strong></td>
<td><strong>9911</strong></td>
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</tbody>
</table>

Source: Viewforth Analysis 2018 (Totals may not sum due to rounding)
## 3. GVA

<table>
<thead>
<tr>
<th>Region</th>
<th>Direct</th>
<th>University Secondary Impact</th>
<th>Total University Impact</th>
<th>Non EU Students</th>
<th>Rest of EU Students</th>
<th>Rest of UK Students</th>
<th>Rest of South East Students SE</th>
<th>Kent Students</th>
<th>Medway Students</th>
<th>Total Impact of Student Personal Expenditure £m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canterbury</td>
<td>152.2</td>
<td>56.3</td>
<td>208.5</td>
<td>11.9</td>
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<td>25.3</td>
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<td>11.0</td>
<td>1.8</td>
<td>67.3</td>
</tr>
<tr>
<td>Medway Towns</td>
<td>16.1</td>
<td>8.0</td>
<td>24.1</td>
<td>1.0</td>
<td>0.6</td>
<td>4.2</td>
<td>1.2</td>
<td>1.5</td>
<td>0.6</td>
<td>9.2</td>
</tr>
<tr>
<td>Rest of Kent</td>
<td>0.0</td>
<td>21.9</td>
<td>21.9</td>
<td>3.6</td>
<td>2.2</td>
<td>9.3</td>
<td>3.3</td>
<td>3.7</td>
<td>1.0</td>
<td>23.0</td>
</tr>
<tr>
<td><strong>ALL Kent incl Medway Towns</strong></td>
<td>168.3</td>
<td>86.2</td>
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<td>16.5</td>
<td>10.0</td>
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<td>16.2</td>
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<tr>
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<td>66.0</td>
<td>10.6</td>
<td>6.4</td>
<td>28.0</td>
<td>9.9</td>
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<tr>
<td><strong>ALL South East</strong></td>
<td>168.3</td>
<td>152.3</td>
<td>320.6</td>
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<td>16.4</td>
<td>66.9</td>
<td>24.4</td>
<td>27.4</td>
<td>6.4</td>
<td>168.5</td>
</tr>
<tr>
<td>Rest of UK</td>
<td>0.0</td>
<td>21.6</td>
<td>21.6</td>
<td>3.6</td>
<td>2.2</td>
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<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>5.7</td>
</tr>
<tr>
<td><strong>Total UK</strong></td>
<td>168.3</td>
<td>173.8</td>
<td>342.1</td>
<td>30.6</td>
<td>18.6</td>
<td>66.9</td>
<td>24.4</td>
<td>27.4</td>
<td>6.4</td>
<td>174.2</td>
</tr>
</tbody>
</table>

*Source: Viewforth Analysis 2018 (Totals may not sum due to rounding)*
Appendix Two: University of Kent Multipliers
The Modelling system used for this analysis enables multipliers to be derived for the University of Kent (institutional impact only). These multipliers are derived from the tailored analysis. They are outcomes from the analysis.

**Output Multipliers**

UK: 2.34  
Regional (South East): 2.17  
All Kent (incl. Medway Towns & Canterbury) 1.67  
Canterbury: 1.45  
Medway: 1.05

In other words, every £1m of the University’s own output generates an additional £1.34m in the UK:
- £0.45m in Canterbury  
- £0.05m in Medway  
- £0.16m in the rest of Kent  
  ( £0.66m in all of Kent, including Canterbury and Medway Towns)  
- £0.51m in the rest of the South East  
- £0.17m in the rest of the UK

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**Employment Multipliers**

UK: 2.09  
Regional (South East): 1.97  
All Kent (incl. Medway Towns & Canterbury) 1.55  
Canterbury: 1.36  
Medway: 1.05

In other words, for every 100 FTE jobs inside the University as a whole, the University generates an additional 109 FTE jobs in the UK:
- 36 FTE in Canterbury  
- 5 FTE in Medway  
- 14 FTE in the rest of Kent  
  (55 FTE across all of Kent, including Canterbury and Medway Towns)  
- 42 FTE in the rest of the South East  
- 12 FTE in the rest of the UK

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**GVA**

UK: 2.03
Regional (South East): 1.90
All Kent (incl. Medway Towns & Canterbury) 1.51
Canterbury: 1.33
Medway: 1.05

In other words, every £1m of the University’s own GVA generates an additional £1.03m of GVA in the UK:
   £0.33m in Canterbury
   £0.05m in Medway
   £0.13m in the rest of Kent
   (£0.51m across all of Kent, including Canterbury and Medway Towns)
   £0.39m in the rest of the South East
   £0.13m in the rest of the UK

**FTE jobs per £1m of University output**

Every £1m of University of Kent Output generates 26.4 FTE jobs:
12.6 in the University
4.6 elsewhere in Canterbury
0.6 in Medway
1.8 in the rest of Kent
5.3 in the rest of the South East
1.5 in the rest of the UK

(All UK: 26.4, ALL South East 25.0, All Kent (including Canterbury and Medway Towns 19.7)

Appendix Three: References & Bibliography

HESA Staff in Higher Education 2015/16 (HESA 2017)
HESA Finances in Higher Education 2015/16 (HESA 2017)
HESA Students in Higher Education 2015/16 (HESA 2017)
NomisWeb https://www.nomisweb.co.uk/
Office for National Statistics (ONS): Gross Value Added (GVA) for Local Enterprise Partnerships (LEPs)
Office for National Statistics (ONS): Regional Gross Value Added (Income Approach) by Local Authority in the UK
University of Kent: Annual Review and Financial Statements 2016