Top universities to spend £9bn on estates by 2017

The UK's top universities are expected to spend over £9bn on capital projects between now and 2016/17 according to a report published on behalf of the Russell Group of Universities, *writes Tim Clark.*

The group, which comprises 24 research-led universities, asked consultant Biggar Economics to assess the economic impact that capital investment within the higher education group would have to the UK economy.

The report found that over a 25-year period the gross added value to the UK economy from capital projects would total over £44.3bn and support around 98,000 jobs.

The report estimated that a total of 11,680 construction jobs would be created over the five years to 2017, with a GVA of £2.9bn to the industry.

Included in the report were 67 significant projects including seven "major developments", 17 research facilities, and 12 medical research facilities. Spending totalled £1.1bn on major developments; £702m on science, technology, engineering and maths facilities; £335m on student accommodation; £75m on IT facilities; £147m on teaching facilities; and £85m on business schools.

The scale of the investment is more than the £8.9bn spent on the London Olympics and is planned to help the UK's leading universities keep pace in international rankings as well as attract the best international research opportunities and students.

LSE's new student union building, completed this year

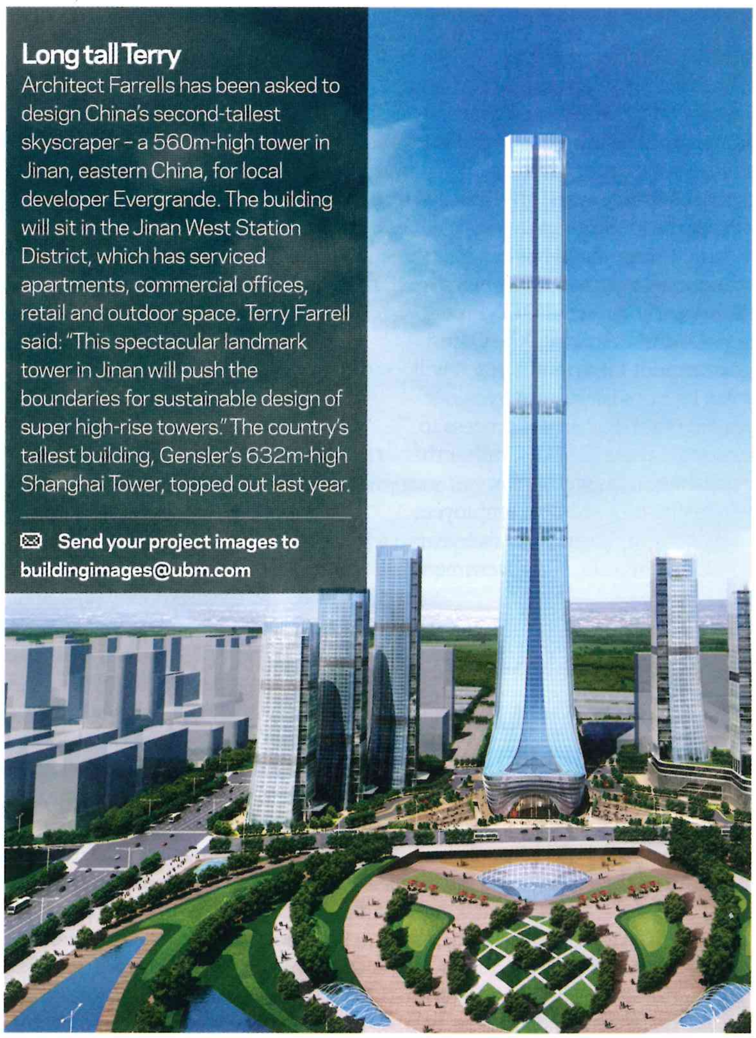
Earlier this week Oxford University announced plans to spend £1.8bn over the next decade to compete with international rivals. Projects include a Big Data institute and an increase in the size of the estate by 28%.

Cambridge University also recently gained planning permission for a £120m mixed-use biomedical campus called The Forum. The development includes a 900-delegate conference centre, a 90-bed private hospital and a four-star hotel.

Speaking about the report, Dr Wendy Piatt, director general of the Russell Group, said: "Russell Group universities are engines of growth for the British economy.

"Not only do they lead the way in teaching and research - but they're also a driving force behind the creation of new jobs, new opportunities for start-up companies and urban renewal in our cities.

"The government has recognised much of this contribution but we would urge them to step up big capital investment in our universities."



Long tall Terry

Architect Farrells has been asked to design China's second-tallest skyscraper - a 560m-high tower in Jinan, eastern China, for local developer Evergrande. The building will sit in the Jinan West Station District, which has serviced apartments, commercial offices, retail and outdoor space. Terry Farrell said: "This spectacular landmark tower in Jinan will push the boundaries for sustainable design of super high-rise towers." The country's tallest building, Gensler's 632m-high Shanghai Tower, topped out last year.

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Blacklist firms 'unlikely' to be barred from public work

The government has said it is "unlikely" that construction firms linked to blacklisting could be barred from bidding for future public work if they do not pay compensation to blacklisted workers.

In the government's response to the Scottish Affairs Select Committee's report on the blacklist, employment minister Jenny Willott all but ruled out the possibility of requiring construction firms with links to blacklisting to pay compensation or face being excluded from public sector work.

The recommendation to "blacklist the blacklisters" was in a report by the committee, which set out how firms linked to the blacklisting organisation The Consulting Association (TCA) can make amends through "self-cleaning", which includes paying compensation.

The committee suggested that any firms that did not take the appropriate steps should be barred from gaining publicly-funded work.

Blacklisting came to light in 2009 when the Information Commissioners Office (ICO) seized a TCA database of 3,213 construction workers used by 44 companies to vet new recruits.

But in response to the committee's report, Willott said it was unlikely that the government would "be able to require compensation as an automatic pre-condition of 'self cleaning', and particularly where there has been no legal finding or other admission of liability, and/or no compensation has been ordered by the courts".

She added: "Banning contractors from the procurement process would be subject to European rules, and the government is required to operate within this framework.

"This includes the need for evidence before excluding, and exclusion can only be used as a way to force companies to address past misdemeanours if they are not doing so. It cannot be used as a punishment."

However, she said that current UK legislation did provide that a firm "may be treated as ineligible to bid [for public sector work] where it has committed an act of grave misconduct in the course of its business or profession [...] Blacklisting may arguably fall within this definition." But she added this "would need to be decided on a case by case basis".

Ian Davidson, Scottish affairs select committee chair, said the committee was "very disappointed" by the government's response.