Regional Outcome Agreement: Greater innovation in the economy

The University of the Highlands and Islands fully supports the principles of developing effective operational links between higher education, research and innovation/wealth generation. This is aligned with the governing principles of the University, which include an ambition to support and inspire the development of a knowledge based economy. Progress, including effective promotion of robust equality and diversity principles, will be monitored by the newly formed University Innovation Steering Committee (UISC). This responds to the Vice-Chancellor, through the committee structures, on: engagement with external agencies, including HEIs, the private and third sectors and the enterprise agencies; progress towards effective implementation of the University Scotland five point innovation action plan, including advising academics on compliance with state-aid rules and effective training and support of staff engaged in promotion of enterprise and innovation activities. The Deputy Principal chairs the UISC, the membership of which includes the Vice Principal (Research).

All students, undergraduate, taught postgraduate and research, will be exposed to and inspired by the principles of wealth creation (Priority Action (PA) 1). Involvement will include practitioner led activities focussed on the principles and practice of entrepreneurship as well as theory. Entrepreneurs themselves will provide the role models and the driving enthusiasm (PA2). The approaches recognise that not all individuals want to become entrepreneurs themselves. There are skills within the educational institutes which are, however, of broader value to wealth generation. Two way staff exchanges between HEIs and “industry” will offer a proven route to enhancing understanding and opportunity and the University aims to establish and support such opportunities for all staff (PA3).

It is believed that effective nationwide benefit cannot be achieved by a single institution working in isolation from the rest of the Higher Education sector, so the University supports the principles of collaboration with other institutions in Scotland, in the UK, in Europe and beyond. A key aim will be to engage with other institutions to harmonise and simplify contract negotiations (PA7). The University goes further, however, and believes that collaboration and consortium generation must include working engagement with the employment sectors themselves and, crucially, other aspects of the educational community, including the Further Education sectors. The enterprise and skills agencies must also take a significant part in the developments if opportunities are not to be missed and the University will work with agency colleagues.

The University of the Highlands and Islands wishes to engage fully with Scotland’s priority economic sectors, including SMEs. It is, however, acknowledged that the distinctive environment of the Highlands and Islands encourages the development of micro enterprises, social enterprises and community groups some of which may have no ambition to grow in size, rather they wish to sustain their activities and grow in influence and perceived benefit. These must be included in any programmes of demand stimulation and greater innovation if their contributions are not to be diminished and their role in strengthening and supporting remote and fragile communities is to be supported (PA10).

An annual report will be submitted to the University Court on progress against innovation targets, including: academic engagement with commercial and public bodies, including innovation vouchers; the rate of formation of “spin-out” or start-up ventures and their sustainability; inclusion of innovation in teaching programmes and staff development and training.

In discussion with Scottish Funding Council we have also agreed that the best mechanism to work at a sector level to deliver the national outcomes is to undertake to work together to:

- analyse current activity and identify best practice;
- on the basis of this, where appropriate, devise and execute a pilot programme;
- if successful, develop/initiate a sector-wide programme.
Through the Research and Commercialisation Directors’ Group (RCDG) each institution has agreed to contribute to various outcomes. Each institution notes and acknowledges the importance of each of the outcomes but for the best use of resource each institution will be involved with a different combination of work.

As an institution the University of the Highlands and Islands has signed up to prioritise outcomes 1 to 4 through active involvement in the working groups focused on:

1. Demand stimulation
2. Simplification/Commercialisation
3. Simplification/greater innovation:
4. Entrepreneurialism

UHI have also agreed to actively roll out outcomes 5 to 7:

5. International activity
6. Inclusive growth and social impact
7. Equality and diversity

At an institutional level, under each of these outcomes and with reference to the associated priority actions previously agreed, the university will maintain and expand an operational Knowledge Exchange Network across the partnership. This will operate through nodes into the different sectoral grouping. Each theme will have a named “champion”, who will guide the activities, including interaction with other HEIs, commercial bodies and the Scottish and UK innovation/KE landscape, including the Scottish Innovation Centres, Innovate UK and the Catapults. Development plans for three year rolling programmes are being developed.

Specific Initiatives to be funded primarily from Outcome Grant element of UIF will be focused on three key sectors for the Highlands & Islands region: aquaculture, energy and rural health & wellbeing. Additional support through core Platform Grant funded resource will be employed to develop KE activities in the Creative industries and Tourism. A new potential KE theme of water management will also be explored.

Each of these sectoral groups (to different degrees) will undertake the following SFC outcome and priority led activities:

**Demand stimulation (Outcome 1)**

- make more businesses across the Highlands and Islands aware of the opportunities and funding available to develop new products and processes in collaboration with universities;
  - this will be achieved through various awareness raising outreach activities, events and meetings across the region aimed not only at private companies and social enterprises but also university staff;
  - this will be further supported by providing additional university staff training on innovation and entrepreneurship skills to help researchers and academics better understand business needs as well as be able to spot innovative opportunities (PA5);

**Simplify business access (Outcome 2)**

- ensure greater engagement with business will be supported through increased outreach activity by new KE/Innovation posts working closely with sectoral skills assessment staff;
  - including company visits and sectoral conferences and events participation;
    - business interest group links;
    - sector associations;
    - trade associations;
  - partnering forums – industry and research groups;
• shifting from transactional to more strategic partnerships (PA6);
  o backed up with a comprehensive CRM system and processes;
• help develop and ensure implementation of enhanced business: university contract arrangements (PA7);
  o implementing a post-project referral process for all KE projects (PA8);

Simplification/Greater innovation (Outcome 3)

• the university will identify gaps in innovation training for enterprise and innovation staff (PA4) and develop or access training to fill these gaps including for example, Praxis-Unico/ AURIL and ARMA courses and accreditations;
  o in collaboration with other Scottish HEI’s we will also look at how innovation training might be further developed;
• through the sectoral groups - encourage staff exchange between the university and SME’s (PA3);
• the university will continue to support the implementation and further development of common contracts (PA7);
• we will continue to make information on university expertise more accessible to business on a sectoral basis (e.g., through web site development);
  o in collaboration with other Scottish universities we will also explore what more could be done jointly to increase business access to university expertise;

Entrepreneurialism (Outcome 4)

The university in collaboration with Highlands and Islands Enterprise plan to development an effective entrepreneurial academy structure, which crosses discipline and regional boundaries. To this end, the university intends to establish a distributed “school of entrepreneurship”, the activities of which are aligned with the needs of the developing economy of the Highlands and Islands. This will be located within the academic partners of the University of the Highlands and Islands but will involve the services of professional staff, who will act as visiting academics of the University and “Associates” of HISE. These associates will be drawn from the private economic sectors (PA2), as well as from academic institutions elsewhere in Scotland and from international institutions with capabilities seen as complementary to the aims of the School.

Although focussed on supporting the economic aspirations of the Highlands and Islands, activities will also be directed towards international opportunities, especially in high latitude (or their Southern equivalent), rural and peripheral regions of developed economies. The Academy will, therefore, establish international partnerships to ensure the mutual recognition of academic credits for CPD purposes, or for accumulation into higher or further education awards.

The academy will be charged with ambitious aims:

• to educate and train individuals equipped with the skills necessary to lead and underpin the growth of a knowledge based economy. All students of the University will engage with the entrepreneurial agenda during their studies (PA1);
• to expose students and staff to the experience of successful entrepreneurs and encourage positive engagement between professionals and business leaders;
• to provide direct training, where an identified need is recognised, for professional staff who interact with entrepreneurs and commercial wealth creation (PA4).

Initial development will involve consultation on the establishment of a detailed operating structure and business plan. A three year developmental programme has been established, in conjunction with Highlands and Islands Enterprise, with an expectation of full operation during 2019. The UISC will monitor progress on behalf of the Vice-Chancellor.
Interim plans, for 2017-18, include rolling out a UHI-wide entrepreneurship educator development programme to train 25 UHI academics to become entrepreneurial role models, equipped to drive change in their institutions and surrounding communities (PA2). The university will also lead the Highlands and Islands Business Ideas competition which is open to all including, UHI Academic Partner staff and students (PA1) as well as Highlands and Islands business and local community groups and individuals. This interim activity will be funded from the Outcome Grant.

Through the activities described above the University intends to reverse recent declines in KE funding and secure a sustained income exceeding £10million by 2020/21, although it is acknowledged that it will become increasingly difficult to separate KE and research in future post BREXIT plans, as these is a shift from dependency on EU funding. Within this environment, the engagement with, for example, SFC innovation vouchers needs to be refined to reflect the nature of the industrial community in the Highlands and Islands. At present, take-up is low and it is anticipated that sector-driven engagement will achieve a rolling expectation of 15 vouchers per annum, subject to variations on an annual rate with a base expectation of 5 per annum.

The revised KE network does not assume identical processes for each theme. For example, aquaculture and energy will represent significant resource bearing developments, while other activities might be less intensive. The University will boost the robustness of KE activities through hub and spoke type structure embedded across the University and establish more focussed development in areas of immediate strategic opportunity. It is important that KE activity engages with the arts and humanities and the social sciences. The University Research Clusters will be an important aspect of the KE landscape and this link will be strengthened, including investment in joint support for KE and Research. In effect, research and KE will operate with a matrix structure with KE opportunities crossing the research themes, in which the newly established University Innovation Steering Committee (UISC) will act as a guiding body, responding into the formal committee structures, including the Research Committee.

The University of the Highlands and Islands (and its internal Academic Partners) intend to match the KE spend of the platform grant.

The University of the Highlands and Islands is committed to equality of opportunity and non-discrimination in all aspects of its work and study. We accept our obligations to fulfil the statutory requirements relating to equality and diversity and will take steps to: eliminate unlawful discrimination, harassment and victimisation; advance equality of opportunity between people from different groups; foster good relations between people from different groups, tackling prejudice and promoting understanding.

Our approach to equality and diversity therefore needs to be regional as well as local in perspective and our Equality Outcomes have to take account of parity of experience and outcome in very different contexts: from city-based campuses to remote, rural learning centres and from students in large classes to individuals studying online.

Demonstrating a significant step forward in how the university will manage and enhance operations and strategy in relation to equalities, we have:

- re-constituted a lead role for the university in equality and diversity and the new post of Equality Outcomes Adviser;
- recently established the Equality Outcomes Group and the Equalities Practitioner Network.