

University Innovation Fund review

- This paper provides an update on progress with the SFC-led review of the University Innovation Fund (UIF). The Chair of the UIF Review Group, Douglas Mundie, will provide an oral report at the meeting and the Committee will be invited to provide comment on the Group's initial reflections and emerging proposals.

Recommendations

- Note the update on progress with the UIF review.
- Note that the Review Group have met once in this key phase (to develop an enhanced model) and will meet again on 16 October 2019 and 12 November 2019 in order to agree a preferred funding model which we will then consult widely on in January 2020.
- Note that RKEC will have sight of the consultation document in advance of publication.

Financial implications

- There are no financial implications associated with the contents of this paper.

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Purpose

1. This paper provides an update on progress with the SFC-led review of the University Innovation Fund (UIF). The Chair of the UIF Review Group, Douglas Mundie, will provide an oral report at the meeting and the Committee will be invited to provide comment on the Group's initial reflections and emerging proposals.

Background

2. At its 6 March 2019 meeting, the Committee endorsed the SFC-led review of the UIF approach; a key component of SFC's strategy for supporting greater innovation in the economy in 2019/20 (paper RKEC/19/01¹). As agreed at that meeting, a UIF Review Group has been established to review progress on the delivery of the UIF approach against the original vision and provide recommendations for improvement. It will undertake a fundamental review of the funding model to ensure good fit with the proposed enhanced UIF model. This will inform RKEC's own deliberations and recommendations to the Council's Board in summer 2020, in time for any changes to be in place for AY2021-22.
3. Chaired by SFC Board and RKEC member, Douglas Mundie, the UIF Review Group will make recommendations on three key themes:
 - Overall UIF approach (alignment with Scottish Government strategy, links to wider² UK strategy, outcomes, collaborative framework, alignment with SFC outcome agreement cycles etc.);
 - Measurement (our metrics, visibility within HEIs); and
 - The UIF funding model.
4. The review will take cognisance of key developments at the Scotland and UK level.
5. The expected outcomes will be an enhanced UIF strategy and funding allocation model that is aligned to this. The review will not make recommendations on the overall UIF budget but will make reference to and record observations on the available UIF budget over the review period, in relation to what has been achieved by the sector.

¹ Paper RKEC/19/01-

http://www.sfc.ac.uk/web/FILES/committeepapers_06032019/RKEC_19_01_University_Innovation_Fund_review.pdf

² For example, the UIF currently supports universities to respond to UKRI funding opportunities such as UK Industrial Strategy.

6. At its 11 June 2019 meeting, RKEC received an initial update on progress (paper RKEC/19/09³). This included the terms of reference for the UIF Review Group and future timetable.
7. The terms of reference and UIF Review Group meeting papers - where disclosable - are published on the [UIF review page](#) of the SFC website.
8. It was noted that the Committee would receive further updates on progress at future meetings and would be asked to provide advice/guidance to the Review Group at key stages of the review as appropriate.

Update on progress

9. Further to the June 2019 meeting of RKEC, the UIF Review Group has completed a review of evidence relating to the delivery of the UIF approach and has begun to discuss options for revising the UIF model. This is not yet complete with two further Review Group meetings scheduled before consultation is prepared and agreed at the 3 December 2019 meeting of the Group.
10. The Committee should note that in addition to institutional UIF plans (AY2017-20) and self-evaluation reports, the Group reviewed responses to a light-touch survey issued to the sector in May 2019. The aim of the survey was to obtain a fuller and more nuanced picture of how the UIF approach is viewed within institutions and how the planning, management and measurement are undertaken to help deliver against outcomes. This information was not consistently available through other identified sources.
11. The following paragraph is withheld from publication on the Council website under the Freedom of Information (Scotland) Act 2002, Section 30: Prejudicial to the effective conduct of public affairs.

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12. In addition to the assumptions set out above, the Group recognised at its 21 August 2019 meeting, that changes in the policy landscape, including the political and financial uncertainty posed by the UK's future departure from the European Union, may have implications that are, as yet, unknown.
13. Further information on the Review Group's initial responses to potential options developed by the executive may be provided to the Committee at the meeting following Review Group approval. These are based on the assumptions set out above and how they relate to potential funding models. The Committee will be invited to provide advice/guidance on the emerging proposals which will be shared with Review Group in their next two meetings.

³ Paper RKEC/19/09 is still to be published on the SFC website and is available to members upon request.

Next steps

14. The UIF Review Group will conclude its fundamental review of the funding model to ensure good fit with the proposed enhanced UIF model by December 2019. We will then consult widely on proposed changes and the revised funding model in January 2020. RKEC will have sight of this consultation document in advance of publication.
15. The Review Group will make final recommendations for approval to RKEC following the consultation exercise in May 2020.

Risk assessment

16. The paper is for noting and there is no risk associated with it.

Equality and diversity assessment

17. An equality impact assessment is to be carried out as part of the UIF review and findings reflected in future recommendations.

Financial implications

18. There are no financial implications associated with this paper.

Recommendations

19. The Committee is invited to:
 - Note the update on progress with the UIF review;
 - Note that the Review Group have met once in this key phase (to develop a new model) and will meet again on 16 October 2019 and 12 November 2019 in order to agree a preferred funding model which we will then consult widely on in January 2020.
 - Note that RKEC will have sight of the consultation document in advance of publication.

Publication

20. This paper will be published on the Council website with the exception of paragraph 11 that will be withheld from publication as it contains information that is prejudicial to the effective conduct of public affairs (Freedom of Information (Scotland) Act 2002, Section 30).

Further information

21. Contact: Keith McDonald, Assistant Director, tel: 0131 313 6674, email: kmcdonald@sfc.ac.uk or Gary Bannon, Senior Policy/Analysis Officer, tel: 0131 313 6518, email: gbannon@sfc.ac.uk or Fiona Bates, Policy/Analysis Officer, tel: 0131 313 6609, email: fbates@sfc.ac.uk .