

Research and Knowledge Exchange Committee

The 63rd meeting of the Research and Knowledge Exchange Committee of the Scottish Funding Council was held on 14 March 2018 at SFC offices, Apex 1, 99 Haymarket Terrace, Edinburgh EH12 5HD.

Present:

Members attending:

Professor Lesley Yellowlees (Chair)
Dr Jano van Hemert
Professor Tim Bedford
Professor Tom Inns
Professor Anne Anderson
Dr Alicia Greated
Dr Siobhan Jordan
Professor Susan Craw
Mr Douglas Mundie

Observers attending:

Morven Cameron (HIE)
Pieter Van de Graaf (SG)
Carolyn Reeve (BEIS)
Helen Cross (UKRI)

Officers:

SFC officers:

Dr Stuart Fancey/Gary Bannon/Morag Campbell/Hazel McGraw/John Stout/Andrew Youngson

Apologies:

Professor David Cumming, Andrew Howie, Jenny Jamieson (Clerk), Keith McDonald, Ian Reid, and Professor Jonathan Seckl

18/13 Chair's business

The Chair welcomed members to the 63rd meeting of the Committee.

The Chair introduced Pieter Van de Graaf from the Scottish Government, who would be taking over from Teresa Martin in the Higher Education and Science Division.

The Chair noted that Sir Tim O'Shea had retired from the University of Edinburgh and from his position as Convenor of University Scotland's RKEC, and thanked him for his contribution to this committee.

It was also announced that Professor Ferdinand von Prondzynski, Principal of Robert Gordon University, had been appointed as the new Convenor of University Scotland (US)'s RKEC. In this capacity he was being invited to attend meetings of SFC's RKEC, to maintain links between the two committees. This would be reciprocated by the Chair continuing to attend the US RKEC on behalf of this Committee.

18/14 Director's update

- The Director introduced Robin Lee, who had joined the directorate as a Senior Policy/ Analysis Officer.
- The Director reported on a meeting of the Scottish Council for Development and Industry (SCDI) on 9 March 2018. A notable point during the discussion had been the level of entrepreneurial ambition already existing in Scotland and how much opportunity there is to align the ambitions of business with the support of both the Scottish and UK Governments.

Action – the Executive would contact SCDI to obtain the published output of that meeting to share with the Committee.

18/15 Minutes of previous meeting 29 January 2018 (RKEC/18/Min1)

The minute from the previous meeting was agreed, subject to an adjustment of the sederunt to record that Douglas Mundie was present at this meeting.

The Committee also reviewed the action tracker appended to the minute, and requested the removal of entries dated for 23 November 2017 which had now been actioned.

Tim Bedford asked that the Committee consider the issue of maintaining access to international research facilities.

18/16 Research Excellence Working Group Minute (RExWG/17/min2)

The Committee noted the minute of the meeting of the Research Excellence Working Group, held on 27 November 2017.

The Chair advised that she intended to stand this Working Group down for the present, and thanked the Working Group for their work to date.

Action – the Executive to relay the Chair’s decision to the Working Group members.

18/17 Progress towards UKRI launch

The Committee received an oral report from Helen Cross on progress towards the formal establishment of UK Research and Innovation (UKRI) on 1st April 2018.

The initial focus would be on continuity of process, rather than introducing dramatic changes. A high-level strategy document would be published in late Spring 2018, followed by a period of engagement with the relevant disciplinary and stakeholder communities. Indicative Research Council plans were expected in Spring 2019.

A launch event in mid-May was being considered. An event in Glasgow was being planned with the Scottish Government for early May, which might provide an opportunity for the Scottish element of the launch event. The UKRI Board would then be meeting in Scotland in July.

The Committee welcomed UKRI’s intention to ensure engagement around the UK.

18/18 UK Industrial Strategy developments

The Committee received an oral report from the Director on UK industrial strategy developments.

It was noted that Wave 1 projects were now in place, with Wave 2 projects going live, and communities being consulted on how Wave 3 should look.

The Committee discussed how Scotland should position itself for Wave 3, combining funds already announced with other potential funding sources.

The Committee agreed the importance of keeping communication flowing, and the Executive undertook to keep Committee members

more frequently abreast of developments. Helen Cross also offered to circulate information to the Committee.

18/19 Development of SFC's draft strategic plan (RKEC/18/04)

At the previous meeting the Committee had contributed to the development of policy statements on supporting Research and Innovation as part of the wider process of developing SFC's new Strategic Plan, noting that their views would be fed into a paper for discussion by the SFC Board on 1 February 2018. (Item 18/08 refers)

The Committee welcomed a further opportunity to develop those statements, and offered the following comments:

- The need to articulate that the value of using SFC or SG funding to leverage funds from elsewhere.
- SFC funding enabled HEIs to *remain* highly effective research bodies, strengthening, underpinning and developing their contributions.
- Place – how Scotland plays into UK and international strategies, and the importance of SFC taking a role in leading and shaping these, fully participating in the new opportunities potentially offered by UKRI and Industrial Strategy.
- The Committee (and the Board) strongly supported the importance of SFC's research strategy and how it would help Scotland to integrate into wider UK and international research communities.
- Are we sufficiently, or how can we become more, collaborative as a research base to maximise Scotland's contribution?
- The importance of all aspects of SFC's work supporting Scottish HEIs to carry out research at a world-class level – not just RKEC and the R&I Directorate. Research should be seen as a cross-cutting agenda for SFC.
- What is the next challenge? Can the pools become more strategic, possibly building on the theme of engagement activities?
- A need to focus beyond Scotland and support UK wide collaboration.
- Be mindful that the term 'challenge' – means different things to different audiences.
- Emphasising SFC's ability to influence research ambition and leverage funds, where small amounts of investment can have a major impact.

- How does SFC maximise its engagement with the research community, given limited public resources?
- SFC could flag up more examples of close collaboration between industry and academia; co-shaping and co-funding of research facilities might offer a means of enrichment.
- SFC needed to adopt a more agile approach to creating opportunities and fostering collaboration between industry and academia, for the benefit of research, not just within Scotland but also on a wider international level; dynamic academic clusters oriented towards industrial challenges could feedback to the research base too.
- Look beyond Scottish horizons, but ensure feedback of benefit is understood. Be outward-looking, building on Scotland's researchers' networks and relationships.
- How do we *retain* talented researchers and Scottish PhDs, supporting them and encouraging them to remain in Scotland, as well as attracting researchers from elsewhere?
- Not underestimating the importance of research skills to Scotland as a whole, as well as to the research base.
- Does SFC have an understanding of the demographics of university staffing that might help develop a picture of the research base in ten years' time?
- The strategy needed to be more explicit in addressing Knowledge Exchange.

The Committee noted that these comments would be reviewed and fed into the next draft of the strategic plan.

Action – The Committee suggested that a future discussion topic might revolve around SFC's vision for the research base in ten years' time.

18/20

Outcome Agreements 2018-19: Update on progress and input to 2019-20 Remit (RKEC/18/05)

The Committee were invited to advise on potential changes to the contents of the Outcome Agreement guidance which SFC would be publishing for the period 2019-20.

The Committee considered a paper setting out currently published guidance for 2018-19, and including a summary of stakeholder responses to that guidance and discussion pointers suggested by the executive. It was noted that the intention was not to introduce major changes for the 2019-20 cycle, but rather to focus on continuous

improvement and intensifying engagement with institutions as instructed in Ministerial guidance.

Members offered the following comments in response:

- The current outcome agreements were not capturing the broader picture of Scotland's world class research environment. Perhaps this could be measured by institutions reviewing their research strategies?
- Outcome agreements should help SFC to constructively challenge universities on whether their activities were achieving the intended outcomes.
- All the strategies described in the outcome agreements should be assessed as a whole as to whether they support research;
- The outcome agreements should allow institutions to review, reflect upon, and feed back their achievements.
- There was concern that outcome agreements did not capture approaches to collaborative work between HEIs.
- Measuring innovation support delivery solely on the basis of innovation vouchers awarded will not capture the richness of the sector's innovation work.
- Universities should be held accountable for how well they train and develop their research students and researchers.
- There needs to be a realism in an institution's research ambitions - how does SFC challenge research strategies which are clearly not achievable?
- There should be care on potential unintended consequences from information requested through outcome agreements.
- Research and Knowledge Exchange need to be more explicitly prescribed in the outcome agreements, and excellence should be adopted as the driver.
- The outcome agreement mustn't introduce measures which are distracting to REF.
- A need to increase accountability for the statements institutions make in their Outcome Agreements.
- The outcome agreement process offers an opportunity to drive collaborative behaviour in the same vein as the UIF model, which could be applicable to the research training environment.
- The OA process presents an opportunity for institutions to demonstrate how they use SFC funding to leverage other income.
- Our innovation strategies need measures which are not solely income-focussed, and should make reference to interactions

such as jointly funded studentships and placements.

The Committee noted that the outcome agreement guidance for 2019-20 would not be finalised until June, affording them a further opportunity to review and refine their comments at the RKEC meeting in May.

Action – The Executive to review this meeting’s comments and present a follow-up paper for discussion at the meeting on 17 May 2018.

18/21 SFC research and innovation funding compared with rest of the UK (RKEC/18/06)

At the previous meeting, the Committee had requested figures on potential disparities between English and Scottish funding for Research and Innovation (item 18/04 refers).

The Committee received a paper showing comparative total funding allocations between SFC’s University Innovation Fund (UIF) and HEFCE’s Higher Education Innovation Fund (HEIF) for the period of academic year 2017-18 as well as the equivalent research funding allocations.

Members offered the following comments:

- The Executive should explore a comparison of funding mechanisms and incentives, not just with English equivalents, but also beyond in a wider international context, particularly countries of a similar size.
- How does SFC position its funding model so that Scottish researchers are not comparatively disadvantaged, and remain competitive on an international level?

The Committee noted the comparative figures presented in the paper and asked the Executive to produce a comparison focussing specifically on REG funding, over a period of time, in graph form, for future consideration.

The Committee also requested comparisons around strategic investments and on the effects on Scotland in not allocating Barnett Consequentials in similar policy areas to those that generated them in England.

The Committee also supported the principle of developing a core brief

on this type of background material to help inform future decision-making.

18/22 Indicative Funding Allocations (RKEC/18/07)

The Committee received a paper updating them on SFC's indicative allocations for Research and Innovation funding in AY 2018-19, and briefing on new Finance Reporting Standards (FRS 102) which could impact on final allocations of SFC's Research Excellence Grant (REG) and Global Challenges Research Fund (GCRF).

It was noted that FRS 102 changed the process for universities reporting their research income, in terms of accruals and annual credits. The resulting impact would be increasing year-on-year fluctuations in reported income, influencing SFC's formula calculations for REG allocations.

SFC was currently consulting with institutions, in collaboration with Universities Scotland, on how to resolve this challenge.

The Committee offered the following comments:

- REG and other funding allocations, and the method of calculation, needed to be as transparent as possible.
- In addressing the FRS 102 difficulties, the Executive should aim to develop as smooth a process as possible, to prevent spikes in funding that could prove detrimental to an institution's financial health and adversely impact on its ability to forward plan.
- No institution should be unnecessarily disadvantaged when the final allocations are confirmed.

The Committee noted the current indicative allocations, and requested the Executive to provide a statement of confirmed allocations at the meeting in May, if available at that point.

18/23 Mapping Scotland's innovation structure (RKEC/18/08)

The Committee noted and endorsed a proposed partnership approach between SFC, Scottish Enterprise and Highlands and Islands Enterprise to develop and sustain a comprehensive map of Scotland's innovation infrastructure, and agree a shared strategy for prioritising investment in this exercise.

18/24 Research Cost Weights (RKEC/18/08)

The Committee had considered the issue of potential changes to subject weights in September 2017 (item RKEC/17/27 refers), and requested a review of the costs of research associated with six particular Units of Assessment.

The Committee noted the Executive’s assessment in table 1 of the paper, and exchanged views on whether proceeding with a full review was feasible given the considerable resource implications for SFC staff.

The prevailing view was that the decision to undertake the review of subject weights was already in the public domain and therefore SFC was obligated to proceed. The question that now had to be addressed was which weightings should be reviewed?

The Committee agreed that all six units of assessment should be reviewed as described in the paper.

The Committee also asked for a review of unit costs less than HEFCE weights, and also those that were weighted higher.

The Committee agreed that the Executive should pro-actively announce this development to universities, to reassure them that work was proceeding.

18/25 Forward agenda (including joint meeting with Universities Scotland RKEC on 17 May 2018)

The Committee noted a draft agenda plan for future meetings, which proposed items to discuss and develop to inform the delivery of objectives of the current strategic plan.

Action – Bring a discussion paper on the Creative Economy to the meeting on 11 October 2018.

18/26 Future Meetings

17 May (all day) SFC RKEC followed by joint meeting with US’s RKEC
20 August 2018
11 October 2018