

20 May 2019

Dear Principal

## Survey on University Innovation Fund (UIF) approach

### Purpose

- 1 This letter invites institutions to complete a short survey on the University Innovation Fund (UIF) approach and return this to SFC by **Monday 17 June 2019**.
- 2 This information will be used by SFC's Research and Knowledge Exchange Committee (RKEC) UIF Review Group to inform the review of the UIF approach over 2019-2020. Institutions will be invited to participate in a formal consultation exercise in 2020.

### Background

- 3 As originally planned, SFC is reviewing the new UIF approach and funding model in 2019-2020.
- 4 The UIF Review Group will assist SFC with this review. It will review progress on the delivery of the UIF approach against the original vision and provide recommendations for improvement. The final outputs of the review are expected to be made in time to inform the AY2021-22 Outcome Agreement and funding cycle.
- 5 Further information on the review, including the terms of reference for the UIF Review Group, is available on the [UIF page](#)<sup>1</sup> of the SFC website.

### Survey on UIF approach

- 6 The UIF Review Group wishes to conduct a short survey on the UIF approach to complement the evidence it currently has available to it. The purpose of this survey is, therefore, to gather initial evidence that is not consistently available elsewhere. This will provide 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 the UIF outcomes.
- 7 A copy of the survey is annexed to this letter.

---

<sup>1</sup> UIF Review information: <http://www.sfc.ac.uk/innovation/innovation-funding.aspx>

- 8 Institutions will be invited to participate in a formal consultation exercise in early 2020. This will include proposals on the development of the UIF approach and potential revisions to the funding model.
- 9 Please email your return to [uifreview@sfc.ac.uk](mailto:uifreview@sfc.ac.uk) by **Monday 17 June 2019**.

### **Further information**

- 10 For further information please contact me or Fiona Bates, Policy/Analysis Officer (Direct line: 0131 313 6609; email: [fbates@sfc.ac.uk](mailto:fbates@sfc.ac.uk)).

Yours sincerely

A handwritten signature in black ink, appearing to be 'KM', with a long horizontal stroke extending to the right.

**Keith McDonald**

Assistant Director, Research & Innovation

(Direct line: 0131 313 6674; email: [kmcdonald@sfc.ac.uk](mailto:kmcdonald@sfc.ac.uk))

## Annex

### SFC survey on University Innovation Fund approach

The SFC is reviewing the new University Innovation Fund (UIF) approach and funding model over 2019-2020. A UIF Review Group has been established by SFC's Research and Knowledge Exchange Committee (RKEC) to assist with this and is seeking initial information on how the new UIF approach is viewed within institutions and how the planning, management and measurement are undertaken to help deliver against the UIF outcomes. This will complement the existing evidence available to the UIF Review Group which includes SFC outcome agreement information.

Responses should be concise (up to 250 words per question), containing key points, tangibles and evidence where possible. Where challenges are identified, institutions are encouraged to suggest methods/mechanisms for overcoming these in the future. The case study should be no more than 500 words in length.

A single institutional submission is requested.

### Response form

Institution: SRUC

Contact name: Dr Michael L Smith

Contact details: [mike.smith@sruc.ac.uk](mailto:mike.smith@sruc.ac.uk) (tel; 0131 535 4074)

Purpose
Please describe what your institution considers UIF to be for and how widely this is understood.
The primary purpose of UIF allocation to an institution focuses on externally facing knowledge exchange or innovation (novel new processes/procedures/products), enterprise or promoting entrepreneurial approaches as a result of SRUC R&D outputs and outcomes. Institutions are awarded UIF based on an annual report or Outcome Agreement and a series of metrics on our external activities and client profile. <b>Priorities include:</b> Promotion of entrepreneurial training and opportunities for staff and students during their studies. To develop networks with industry for example local business groups. Encourage collaboration within the academic and SME business base (SRUC has close links with at least 18,000 farm and farm related clients). To develop strategic relationships between universities and business/industry sectors. To implement enhanced template contract arrangements for SMEs in all Scottish Universities (SRUC is current chair of the "Contracts" sub-group. To develop structures and mechanisms to give more effective support for Scottish Businesses to trade on a European and global stage.

Key to this is the use of UIF to promote collaboration among universities to exploit their research to improve Scotland's economy..

**In 18/19 priorities included:**

**Innovation**

Demand Stimulation: Small and Medium-sized Enterprises

Implementation of post-project referral activity

Enhancing researcher skills for business engagement

Innovation Challenge Events

ISCF capacity building across Scotland

**Internationalisation**

Demand Stimulation: Multi-national companies

Internationalisation & "Team Scotland"

**Entrepreneurship & Investment**

Promotion and delivery of entrepreneurial opportunities to students, academic staff, and businesses

Social Enterprise and Innovation

**Inclusive Growth**

Capitalise on inclusive growth and social impact opportunities

Inclusive models of Student Enterprise support

**Cross Cutting**

Diversity & Equality – "Inclusive Scotland" (cross-cutting)

SRUC takes a project based approach to the allocation of UIF , and operates an application process. The above aims and priorities are documented on the application form and hence very well known to staff across SRUC.

Please describe how your institution ensures UIF is targeted at delivering the published UIF outcomes.

As noted above we take a project based approach to allocation of UIF, and invite applications of suitable potential projects whether those projects are internal or in collaboration with other HEI's. These are assessed and scored against the priorities above, and those that are well constructed and focused to the priority actions, and appropriately costed will be funded.

**Management and Planning**

Please describe how your institution plans its UIF allocation and how well plans are understood across the institution. Are there any challenges to effective planning with the way UIF is allocated by the SFC?

SRUC has established an UIF committee responsible for the strategic use of UIF and subsequent approval of UIF projects. As such an annual priorities budget is formulated and approved by the Committee for each UIF priority and in effect forms an annual UIF

plan. The committee examines and approves the planned budget and allocations and regularly monitors these. As SRUC operates a project based approach to the allocation of UIF to priorities, it is possible to monitor allocations and progress regularly. In addition all UIF projects are asked to produce a final report, which provides evidence to contribution to UIF priorities and are useful fact based documents to provide material to report back to SFC as part of the Outcome Agreement process. Taking a project based approach helps to identify budget for collaborative approaches with other universities and to ensure effective institutional participation.

The most challenging aspects are making sure that a suitable budget is allocated across all priorities, ensuring SRUC is making best use and contribution to these and that project budgets are appropriate and delivery occurs within the promised timescale. Finally that SRUC is fully collaborating with universities to best effect given SRUC's specialist remit.

Please describe how your annual UIF allocation is managed within overall budgets in order to support delivery of your UIF plans.

The UIF allocation in SRUC is separate from other budgets. As described above taking a project based approach to the allocation of UIF ensures that priorities are addressed, within the management framework of a UIF committee to oversee strategy and process.

### **Collaboration**

How does the new UIF collaborative framework (in addition to your Platform and Outcome Grant) help deliver your institution's KE strategy?

Knowledge exchange to promote innovation is the core, uniting competence required to help achieve the SRUC Mission – “to drive the future needs of a dynamic, innovative and competitive rural sector in Scotland and to solve the biggest global agri-food challenges”. SRUC has a long established framework for KE delivery of innovation from its R&D programme (funded from a number of sources including Scottish Government, SFC, UKRI and industry). As noted above SRUC addresses and develops the national priorities as part of its UIF funding, within the context of its particular mission and focus. So the UIF collaborative framework helps us deliver our KE and innovation strategy. Without it this would be much more difficult. We collaborate closely with other Universities in joint approaches to undergraduate provision (especially with Glasgow and Edinburgh) and are in multidisciplinary research collaborations with Strathclyde (in digital twinning and blockchain) and UHI (the “blue/green economy”). These collaborations have resulted in joint workshops (UHI) and a planned workshop (Strathclyde). As a result a “Strength in Places” bid is planned with Strathclyde. In addition we have focus on the ISCF, Transforming Food initiative (which has yet to issue a call), but our collaborative links with these universities and our close links with industry will facilitate planned bids. More generally greater collaboration is co-ordinated through the Research and Commercialisation Directors Group (RCDG), that, in discussion with Scottish Funding Council has agreed the best mechanism to work at a sector level to deliver the national outcomes. SRUC, while having specialist expertise of relevance to the rural sector and food and drink and has wide, extensive and long standing experience of interacting directly with industry in its sector to effect translation and uptake of research outputs and outcomes into practice. SRUC therefore will continue to

share this experience with the wider HEI community, through deepening collaboration and through various relevant collaborative initiatives through Universities Scotland and its relevant Committees, particularly RKEC (SRUC Principal and Chief Executive is currently Chair), and through RCDG (e.g. The SRUC Head of Contracts Office is Chair of the Contracts sub-group), and the UIF manager to help achieve the nationally agreed UIF outcomes.

Please identify any barriers or areas for improvement in the new collaborative approach, suggesting methods/mechanisms for overcoming these where possible.

It is important not to see the new collaborative approach as the only way forward for the UIF. The UIF is a very important and valued fund to enable/facilitate the delivery of outputs and outcomes from research activities to industry and other key end users. For specialist institutions like SRUC that have close direct industry and other end user (e.g. Government policy) links, taking a project specific approach to the delivery of innovation is central to the use of UIF to make a difference. Also a one size fits all approach to greater collaboration is perhaps not appropriate in all cases. Therefore it is helpful to take a co-ordinated approach on areas that may cause barriers to uptake of innovation by industry like common contracts and legal documents, hence the joint working group on Contracts is powerful and helpful. Equally collaborating on joint responses to the UK Government Industrial Challenge Strategy is helpful, but how this is effected needs to be tailored to expertise, so its fine to say have a “Physics Group” looking at collaborating on an ISCF bid, but not to expect all 19 universities to participate. Therefore making links where its not sensible to do so is not particularly helpful, but encouraging and facilitating appropriate collaboration is. This is illustrated by our activities (noted above) with Strathclyde and UHI. Coming together to think about new approaches and activities is really helpful in our experience, but this does involve taking the initiative, reaching out and showing willingness to develop relationships. This takes time, effort and money. That is where UIF (and SFC) comes in, to encourage appropriate relevant collaboration, providing resource to enable it to happen.

### Case study

The UIF Review Group would welcome at least one case study to help the group understand an outcome or impact which UIF has helped to support.

“The Orchard” is an SRUC initiative that started in 2018 where innovative ideas are developed into new business propositions. It is the aim of the Orchard to turn innovative outcomes from research initiatives into new enterprise, new business or new IP to generate new sources of income through royalties or technology licensing.

The first stage of the project included the development of a comprehensive enterprise training programme, the development of an internet portal and initiation of an internal innovation competition (to invite new ideas for enterprise and commercialisation from staff).

The enterprise training programme was an extension of the Catalyst Programme that was delivered by “Entrepreneurial Spark” to selected SRUC staff. The programme is

inclusive and provides opportunity for staff, students and alumni to be trained to build a stronger entrepreneurial culture. Participants are mentored, encouraged and supported to launch their own spin outs and start-ups.

The Innovation Competition has now been established as an annual event.

The enterprise training programme will be also offered externally as a service to partner organisations and once established, it will be offered as a package to other agricultural organisations worldwide.

An internet portal will be developed for the Orchard will be embedded in the SRUC main website and will include a business training schedule and registration facility; past events and slides; a new ideas, and a registration form for students, staff and alumni; an open innovation registration form for external organisations; funding opportunities listing and a resources library.

The second stage of the project will become the fundamental core of the Orchard. At this stage, a number of feasibility study projects emanating from the Business Academy activities, the Network of Innovation or received directly through the portal and with business potential will be evaluated. Selected feasibility studies will be seed-funded. In addition to this, the Orchard will provide basic facilities for the potential companies to develop the initial stages of their business plans. This will be in collaboration with external initiatives such as Converge Challenge and the Scottish Institute for Enterprise.

Thank you for completing this survey.