UKRI stakeholder events focusing on place

10 events are being held across UK May/June 2018

Led by:

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Agenda

• 10:30-10:45  Session 1: Welcome, introduction to UK Research and Innovation; and our approach to place
• 10:45-11:10  Discussion
• 11:10-11:30  Session 2: Aims and objectives of the UK Research and Innovation Strength in Places Fund (SIPF)
• 11:30-11:45  Refreshment break
• 11:45-12:00  Session 3: Guidance to applying to the UK Research and Innovation Strength in Places Fund (SIPF)
• 12:00-12:30  Discussion, covering sessions 2 and 3
• 12:30       Session close
Session One

Introduction to UK Research and Innovation; and our approach to place
UK Research and Innovation, launched in April 2018, and is the new funding organisation for research and innovation in the UK. It brings together the seven UK research councils, Innovate UK and a new organisation, Research England, working closely with its partner organisations in the devolved administrations.
The numbers

- **Over £6 billion** in combined budget per year for investment in research and innovation
- **3,900** research and business grants issued every year
- **2,400** business-led collaborative projects and **over 200** Knowledge Transfer Partnerships
- **151** universities receiving research funding
- **38** institutes, laboratories, units, campuses and innovation catapults
Our vision

UK Research and Innovation intends to be an outstanding organisation that ensures the UK maintains its world-leading position in research and innovation.

We will do this by creating a system that maximises the contribution of each of the component organisations and which creates the best environment for research and innovation to flourish.

We will preserve the strengths which have made today’s system successful, in particular around the Haldane Principle, dual support and recognition for the particular strengths and roles of each partner body.
Our objectives

Our first objective is to invest every pound of taxpayers’ money wisely in a way that maximises impact for citizens, in the UK and across the world.

This will have three elements:
£4.7 billion additional funding for R&D

In the 2016 Autumn Statement £4.7bn of additional funding for R&D was announced over the period 2017/18 to 2020/21 with a rising profile.

This increase in funding, if baselined at an additional £2bn per annum, is likely to halt the decline in R&D investment as a percentage of GDP (currently around 1.7%).

The Government has set an ambition for the UK to become the most innovative country in the world, committing as part of the Industrial Strategy to raise investment in R&D to 2.4% of GDP by 2027.
Industrial Strategy Challenge Fund (ISCF)

As part of the £4.7 billion R&D uplift the ISCF aims to exemplify a new way of working, bringing together the UK’s world-leading research base with business to meet the major industrial and societal challenges of our time. Focusing on challenges where:

- the UK has a world-leading research base and businesses ready to innovate
- there is a large or fast-growing and sustainable global market

Approximately £1bn up until 2020/21 was announced for 6 challenges in April 2017:
- Healthcare and medicines
- Robotics and artificial intelligence
- Clean and flexible energy
- Driverless vehicles
- Manufacturing and materials of the future
- Satellites and space technology

Industrial Strategy White Paper announced £725m for a second wave of challenges:
- Prospering from the energy revolution
- Transforming construction
- Transforming food production
- Data and early diagnosis in precision medicine
- Healthy ageing
- Audience of the future

And two Pioneer Challenges to build industry engagement:
- Next generation services
- Quantum technologies
Supporting research and innovation talent

Additional funding up until 2020/21:

**Autumn Statement 2016:**
- £250m for actions including 1,000 PhD placements and additional early and mid-career fellowships
- £100m to attract the brightest minds to the UK

**Industrial Strategy White Paper:**
- £300m for world class talent including new cohorts of PhDs, fellowships and Knowledge Transfer Partnerships (KTPs) delivered by UKRI

This funding aims to support areas aligned with the Industrial Strategy through collaboration and encouraging the flow of people between industry and academia.

We will continue the valuable collaborative work with Europe and the international community.
UKRI Strength in Places Fund (SIPF)

First announced in the Industrial Strategy White Paper, November 2017

“£115m to support collaborative programmes based on research and innovation excellence in places right across the UK

……..which can demonstrate a strong impact on local productivity

……..and enhance collaboration between universities, research organisations, businesses, local government and LEPs in England and relevant agencies in the devolved nations."
Before we introduce the new UKRI Strength in Places fund, some questions –

• How do you currently reach us with a local voice? what works, and what doesn’t work?

• What else could we be doing to make ourselves more accessible to the regions and nations across the UK?

• What mechanisms offered by UKRI are most useful in addressing, or driving place based R&I?
Session Two

Aims of the UK Research and Innovation Strength in Places Fund
The high level aims of SIPF are:

- **To support innovation-led relative regional growth** by identifying and supporting areas of R&D strengths that are:
  - driving **clusters of businesses** across a range of sizes that have **potential to innovate, or to adopt new technologies**;
  - in order that those clusters will become **nationally and internationally competitive**;
- **To enhance local collaborations involving research and innovation.** Building on the underpinning regional economic impact role of universities, research institutes, Catapults, and other R&D facilities; and engaging those businesses at the forefront of delivering economic growth through innovation within the identified economic geography.
The specific objectives of SIPF are:

- Funded activities contribute towards **significant, relative regional economic growth**. We define ‘relative’ economic growth as having a significant impact locally that closes the gap between that region and the best nationally. Activities must be in line with UKRI’s mission, where the focus is on supporting those businesses and research organisations at, or near to the frontier of the economy.

- **Excellent research and high-quality innovation** is completed, or underway as a result of funded proposals.

- **Collaborations between local businesses, research organisations and local leadership** are enhanced as a result of the funded proposals.

- The **evidence base around the impact of locally targeted R&D spending** in the UK is improved. This will be assessed from a programme-level perspective.

- Funded proposals deliver **good value for money** relative to the area being supported, and in terms of additionality.
Key elements of SIPF

• It is a competitive fund for collaborative bids led by research organisations or business, with consortia including both business and research organisations, and strong engagement from local leadership partners.

• Consortia will represent economic geographies across the UK that have:
  a) existing research excellence and high quality innovation capability, focused on wealth creating opportunities and aligned to the needs of their local industry and business supply chains;
  b) where activities are likely to bring significant, relative economic impact and regional growth.
It is not a pre-requisite for applicants to have previously completed an Science and Innovation Audit (SIA) and the SIPF is not a follow on fund for SIA support.

However, we see SIA data as part of the evidence that consortia may draw upon, dependent on the economic geography making the bid.

We expect and encourage consortia to apply who have not been involved in developing SIAs.
Flexible economic geography

- Investment will be focused primarily on the basis of specific ‘economic geographies’, and on the distinctive technology supply chain or sector to be driven in that locality.

- We define the ‘economic geography’ as being at the realistic local scale for the cluster being supported and not necessarily constrained by local authority boundaries.

- Consortia are expected to self-determine the spatial geography that projects will focus on.

- We expect bidders to support the choice of geography with robust evidence and for this to be reflected in the range and choice of partners involved in the collaboration.

- Where bids go across or cover multiple local authority or devolved areas, we would expect all partners to be located within this area.
Scope and eligibility

• The fund is open to any sector, area of technology, or research discipline where a local business need can be demonstrated.

• Bids can be led by either a business or research organisation, but consortia must include both research and business partners.

• Bids must be aligned to regional economic plans, local industrial strategies, SIAs, city-region agendas, and devolution agendas, in whatever way is appropriate for the economic geography relating to the bid.

• We therefore anticipate strong engagement with local leadership and stakeholders.
Scope – example of activities, as set out in call documentation

- Increase local capacity to commercialise: *e.g. additional research capacity being required to deliver business outcomes through commercialisation (taking technologies to market, *e.g.* licensing to existing companies or industry partnerships)*.

- Draw in overseas R&D/business investment.

- Revive a legacy industrial base through use of underlying technologies.

- Transferring technologies between industries.

- Improve collaboration between universities/research organisations and SME technology-focused companies in specific geographic clusters.
Out of scope activities

• Investment in new strategic national infrastructure that should be supported through other UKRI programmes, e.g. establishing new Catapult centres, Innovation Knowledge Centres (IKCs) etc.

• Recreating national grand-challenges at a regional level that would risk duplication of programme funding through ISCF and other UKRI programmes.

• Developing outreach programmes to transfer a locality’s expertise to other regions around the UK.
Funding available & timescales

- £50k ‘seed corn’ funding will support successful EOI consortia in 2018/19 to further develop full stage bids of between £10 million and £50 million, over 3-5 years. £50 million bids will be exceptional.
- We expect to fund 4-8 bids at full stage.
- Successful projects will be fully funded from 2019/20:
  - EOI – closing date for applications 25 July 2018;
  - Full stage - Successful EOIs receive seed corn funding to develop full stage bids from mid-October 2018;
  - Successful full stage projects announced early Summer 2019.
Session Three:
Guidance on applying to
Strength in Places Fund
Session Three: Guidance on applying to SIPF

• Eligible activities: the key distinctive feature of SIPF will be that the strongest bids will be those which demonstrate the greatest proportionate economic benefit to its locality; measured by business growth and improved regional productivity.

• The specific funding package of ‘interventions’ will depend on the needs of the consortia and cluster as articulated at EOI and refined at stage 2 of the bid development process.

• Funded activities would be in line with R&D mechanisms currently delivered through UKRI’s councils.
State Aid at EOI stage

- All proposals should be compliant with state-aid rules. For the seedcorn funding stage, all applicants will be eligible to claim up to the maximum of £50k, for those EOI taken forward to full stage.

- Research organisations leading an EOI bid may apply for funding support up to 100% of eligible project costs if the lead (or delivery) organisation involved is a non-profit distributing research organisation.

- Businesses leading an EOI bid will be allowed to claim grant via de minimus – or if the limit has been reached, businesses could instead apply as a feasibility study, bringing in private match funding as required against the full £50k.
State Aid and co-investment at Full stage

- At full stage, research organisations within a bid may apply for funding support up to 100% of eligible project costs (if lead organisation is a non-profit distributing research organisation). With these bids, we strongly encourage institution-backed bids, with co-investment demonstrating commitment.

- Businesses receiving funding in the project will need to find the relevant match funding as governed by state aid rules.

- UKRI expects applicants to detail the grant split and contribution from each of the consortium partners, and how they comply with relevant general State Aid regulations.

- We strongly encourage co-investment from consortia partners to demonstrate commitment.
Eligibility of research organisations

- When referring to research organisations, we are using the definition from the Framework for State aid for Research and Development and Innovation.
- Within the UK Research and Innovation Strength in Places Fund, this means:
  - universities (higher education institutions)
  - non-profit research and technology organisations (RTOs) including catapults
  - public sector research establishments (PSRE)
  - research council institutes
How can I apply and find out more?

- Call published 21 May 2018
- See call documentation, FAQs on UKRI website, https://www.ukri.org/funding/funding-opportunities/strength-in-places-fund/
- Apply via the Innovation Funding Service (IFS) from 28 May https://apply-for-innovation-funding.service.gov.uk/competition/161/overview
- Deadline for EOI applications is **25 July 2018**
- For programme queries please email SIPF@re.ukri.org
- For IFS process queries please email support@innovateuk.ukri.org
UKRI stakeholder events focusing on place