



UK Research
and Innovation

RT3 02

UK Research and Innovation – High-level Sector Round Tables

ROUND TABLE 3

Valuing and Measuring Natural Assets for the Insurance / Financial Services Sector

Thursday 17 January 2019, 11:00-15:00
(refreshments available from 10:30)

Prince Philip House, 3 Carlton House Terrace, London, SW1Y 5DG

OVERVIEW OF RELEVANT UKRI FUNDING INSTRUMENTS/PROGRAMMES FOR RESEARCH AND INNOVATION

This paper outlines why the Research Councils engage with business and policy, why NERC is investing in this Round Table, and existing mechanisms to support academic, policy and business collaboration.

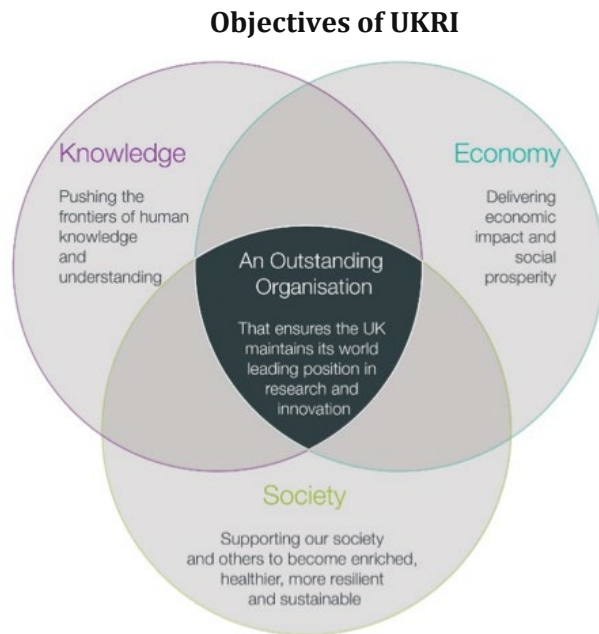
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1. WHY THE RESEARCH COUNCILS ENGAGE WITH BUSINESS & POLICY

As part of the newly formed [UK Research & Innovation](#) (UKRI), the [Natural Environment Research Council](#) (NERC) has a role in supporting business, policy-makers and wider society access the latest research to address business challenges and provide robust evidence for policy-making, thereby maximising the value from publicly funded research. NERC does this by working with business, policy-makers and wider society to:

- understand their needs and priorities, sharing these with the academic research base;
- support partnerships with the research base by signposting to where particular research strengths exist and facilitating access to knowledge, skilled people, data and infrastructure;
- inform the direction of novel strategic research and innovation investments which translate research into business and policy-relevant tools and approaches;
- strengthen the capacity of the research base to address the needs of business, policy and society.



2. WHY IS NERC INVESTING IN THIS ROUND TABLE?

Issues around “Natural Capital” and “Valuing Nature” are increasingly of interest to business, policy-makers and society. As funders of the £6.5M [Valuing Nature Programme](#) NERC is investigating how Valuing Nature research can be translated into business and policy decision-making, and what role NERC has in supporting this.

Through the round table NERC would like to:

- understand what business, policy-makers and society are doing to develop and operationalise the concept of valuing nature/ natural capital within their organisations;
- identify where there are opportunities to apply existing knowledge/data/skills from the research community and to identify what new knowledge is required to help business and policy-makers do this;
- gauge the interest and capacity of business and policy-makers to work collaboratively with the research base to access knowledge;
- explore different models of collaboration and funding which would enable greater interaction between academics, policy and business around this agenda, and is workable for and brings benefits to all.

The [Valuing Nature Programme](#) already supports academic-business-policy collaboration through the [Business Interest Group](#), [Business Impact Schools](#) and funding

[Valuing Nature placements](#) for academics to work within policy and business settings. The findings from this Round Table will inform further investment in research and innovation (in particular by NERC but also by other relevant funders).

3. EXISTING MECHANISMS TO SUPPORTING ACADEMIC-POLICY-BUSINESS COLLABORATION

The purpose of this section is to: (1) highlight the types of public research and innovation (R&I) funding available; (2) stimulate a discussion on what mechanisms and types of funding could support academic-policy-business interaction around Valuing Nature issues in the future.

A large number of funding mechanisms exist to promote the exchange of knowledge from academia to business, policy and wider society, as well as to drive world-leading academic research related to real-world challenges. Funding is available from the EU, UK public bodies (including Research Councils, [Innovate UK](#), national academies) as well as universities and the private sector. Each funder has their own rules for who is eligible to lead bids, who is eligible to receive financial support (i.e. Research Councils only fund the academic whereas Innovate UK fund both the business and the academic), what subject areas they are willing to support, what criteria they use to allocate funding and how the application process operates. Universities may have funding drawn from Research Councils or through internal sources that they can use to facilitate academics working with the business, policy and wider society.

As highlighted by the [Dowling Review of Business-University Research Collaborations](#) (July 2015) the support for business-university interactions is complex. The creation of [UK Research & Innovation](#) (UKRI) in April 2018, a new organisation incorporating the seven Research Councils, Innovate UK and Research England, responds to the [Nurse Review](#) of research councils. Although in early stages, the creation of UKRI signals evolution in how the academic-policy-business interface as well as the interface between research disciplines (which crosses the boundaries between the seven research councils) are supported. ‘Collective funds’, which aim to drive high quality multi-disciplinary and inter-disciplinary research and innovation, are now an important source of funding that councils must bid in to access. Developing bids for these funds requires collaborative working across councils, and with academic, business and policy partners.

The table below highlights collective funding schemes led by UKRI and individual organisations, within it. All UKRI funding opportunities are listed here;

<https://www.ukri.org/funding/funding-opportunities/>

Scheme name	Focus of schemes	Funding
Industrial Strategy Challenge Fund	Collective fund launched in 2017 to ‘strengthen UK science and business innovation and take on the biggest challenges that society and industries face today’. Focussed around four ‘grand challenges’ in UK Industrial Strategy : clean growth; artificial intelligence and data economy;	Two waves of funding have been completed with £1.21bn funding awarded so far. An announcement on the third wave of funding is expected in April 2019, with a fourth round to be confirmed. Funding for business and academics.

	ageing society; future of mobility.	
Strategic Priorities Fund	Collective fund launched in 2018 to ensure that UKRI's investment links up effectively with cross-government departmental research and innovation priorities and opportunities.	First wave funding announced, second wave under review and awaiting confirmation of third wave. Funding for academics and BEIS Public Sector Research Establishments (such as UK Space Agency, Met Office, National Physics Laboratory)
Strength in Places	Collective fund launched in 2018, which takes a place-based approach. Aim is to drive regional economic growth through: <ul style="list-style-type: none"> identifying and supporting areas of R&D strengths that are driving clusters of businesses that have potential to innovate, and to become nationally and internationally competitive; enhancing local collaboration between research, innovation and business at the forefront of delivering economic growth. 	First wave in 2018. Awaiting confirmation of second wave. Bids must be led by consortia of UK businesses and publicly funded research organisations, who can apply for up to £50 million.
UKRI Future Leaders Fellowships	Supports early career researchers and innovators with outstanding potential in universities and UK registered businesses to tackle difficult and novel challenges, including those at the academic/business and interdisciplinary boundaries.	Six funding calls expected; two calls per year between 2018-19 and 2020-21 (financial years), typically awarding 100 fellowships. This is a single scheme across the entire UKRI remit, with no ring-fenced budgets for specific areas and no barriers to interdisciplinary or cross-sector research. Funding for individuals in academia and business (business must share cost).
Innovate UK's Knowledge Transfer Partnerships	Provides funding for researchers to spend time working with, or within a business, bringing in knowledge, technology or skills acquired through academic research to help the business innovate and grow. This can act as a foundation for long-term collaboration and development.	Business-led bids for 1-3 years, funding to both business and academic (business shares cost).
Innovate UK Open programme	Supports game-changing or disruptive ideas. These can be for a completely new product, service or process, or an unprecedented use for an existing one that take it above and beyond what's currently available. In all cases there should be a clear route to market and potential for commercialisation.	Business-led bids, funding to both business and academic. Supports innovation at various stages. It helps companies develop projects from feasibilities studies including market research, through to prototype testing, development and demonstration.

NERC is in the process of re-thinking its strategic research and innovation funding as we transition to UKRI. These modes of funding are under development. Each of these funding modes will require a community effort to develop and deliver, and NERC strongly encourages its partners to pitch ideas and work closely with our Head Office to explore the most appropriate models for collaboration and funding.

NERC Research and Innovation Priorities fund	Support major activities that address complex environmental science questions. Programmes might typically range in size from £5 million to £20 million depending on their scope and partnership funding. They may constitute a number of funding streams (capital, training, research, innovation) and involve working closely with business and policy partners	To be decided.
NERC Highlight Topics	Support environmental research programmes up to the value of £4 million and four years in length. Project ideas are submitted through NERC's ideas process , by the environmental science research, business and policy communities.	Academic led bids, but working to address policy and business challenges where research is required
Partnerships and Opportunities fund	NERC partners and co-fund with external organisations, such as other research councils, government departments or business. Small to medium-scale strategic research and innovation activities will be supported with NERC funding being at least matched by the partner organisation.	To be decided.
NERC Knowledge Exchange Fellows / Placements	Academic spends 40- 80% of their time addressing challenges of one (or more) business/NGO/policy-maker, transferring knowledge and establishing long-term links. The scientist remains at research institute but may spend periods of time within business/NGO/policy-maker. The Valuing Nature Programme funded Valuing Nature Placements for academics to work within policy and business settings.	Academic led bids, but working to address policy and business challenges where they can be met from existing research.