



British Irish Chamber of Commerce Discussion Paper

on

Developing the UK and Ireland Higher Education and Research Partnership: The Next Steps.



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13 Merrion Square North, Dublin 2, D02 HW89

Tel +353 (0) 1 634 3050 | E: info@britishirishchamber.com | W: britishirishchamber.com

About the British Irish Chamber of Commerce:

The British Irish Chamber of Commerce was founded in 2011 ahead of the historic visit of HM Queen Elizabeth II to Ireland and the subsequent State visit of President Michael D. Higgins to Britain. The objective of the Chamber is to champion the €80 billion annual trade between the UK and Ireland which directly sustains over 400,000 jobs. We are a bilateral Chamber, engaging members from across two islands and five legislative bodies in meaningful dialogue with a common purpose.

The Higher Education Research and Industry Committee represents the interests of businesses, researchers, entrepreneurs and university leaders across the UK and Ireland. Its raison d'être is to maintain and expand the relationships between the UK and Irish higher education, research and industry sectors. In addition, the Committee advocates for the most mutually beneficial agreement between the UK and the European Union in the context of Horizon Europe post-Brexit.

Introduction:

Over the past three years, with broad engagement across all facets of the UK and Irish higher education and research sectors, the Committee has been committed to a proactive and constructive approach in proposing clear, nuanced and evidence-based proposals to the evolving developments in the UK- Ireland Relationship. In September 2017, the Committee released its initial higher education and research policy paper 'Brexit: The Challenges and Opportunities for the Higher Education and Research Sector'¹, which outlined the chamber's policy positions in relation to higher education and research in response to the UK's vote to exit the European Union. In addition, the Committee has:

- Convened key stakeholders from the UK and Irish higher education and research sectors for a conference on 'Developing the UK-Ireland Higher Education and Research Partnership' in the Tower of London,
- Met with the Taoiseach to discuss Irish higher education and research funding in the context of Brexit,
- Met with Secretary of State for Education (Damian Hinds MP) ,

¹ <https://www.britishirishchamber.com/wp-content/uploads/2017/09/Higher-Education-and-Research-Policy-Paper-web-Sep2017.pdf>

- Hosted a roundtable discussion on Celtic collaboration (Ireland, Northern Ireland, Scotland and Wales) with Heads of Research, Research Funders, Chief Scientific Advisors and government representatives.

In 2018, in its Budget submission to the Irish Government, the Committee made four key recommendations for the higher education and research sector:

- i. The Irish Government should commit to implementing the funding targets for higher education as outlined in the Cassells Report.
- ii. The Irish Government should implement the 'Innovation 2020' Strategy,
- iii. The UK and Irish Governments should jointly fund a UK-Ireland bilateral research stream,
- iv. UK, Irish and Northern Irish stakeholders should commit to developing a 'North – South Academic Corridor.'

In November 2019, the British Irish Chamber of Commerce, with the support of the Higher Education Authority, Mazars and Scientific Foundation of Ireland (SFI) held a Conference on 'The UK – Ireland Higher Education and Research Partnership: The Next Steps' at the Mansion House, Dublin. The recommendations contained within this Paper are from that Conference and the culmination of the various meetings and interactions the Committee has undertaken, supplemented with expert analysis and input from the Committee's membership.

This paper will set out the context, in which the Conference was held, the objectives of the discussion and the main recommendations that derived from it. This Paper will be distributed to key stakeholders and the relevant government departments in the UK and Ireland.

Summary of Key Points:

Developing the UK – Ireland Higher Education and Research Partnership: The Next Steps:

- ✓ **A UK-Ireland bilateral research fund should be established:** The fund should be wide-ranging across all career stages. It should be funded from additional exchequer resources - this could be achieved through Ireland's 'Brexit Contingency Fund' and the UK's Shared Prosperity Fund (UKSPF) or 'Agility Fund'. The fund could be structured and administered in a similar manner to the US-Ireland Research and Development Partnership or alternatively a quasi-independent board of directors could be established made up equally of UK and Irish members.
- ✓ **Joint-appointments between UK and Irish Higher Education Institutions:** When higher education institutions are considering joint-appointments they should take into account the resources required, whether the project is the appropriate scale, that both institutions excel in the given field and the legal responsibilities of all parties.
- ✓ **Memorandum of Understanding (MoU) between Institutions:** For a MoU to be successful it needs a common vision from both institutions, a shared strategy, real commitment from both institutions and where appropriate government support.

Celtic Connection: 'Encouraging Collaborations between the Celtic Nations of Ireland, Northern Ireland, Scotland and Wales'

- ✓ **Collaborate in areas that can have an international impact:** Collaboration should be prioritised in areas where the Celtic Nations excel.
- ✓ **Mobility across all career levels underpins collaboration:** Mobility grants, PhD exchanges and joint appointments should be encouraged where feasible.
- ✓ **Models for Potential Collaboration:** Three options that should be considered (i) A fund where the criteria is excellence and involvement of Celtic Partners, (ii) Increase resources to areas where collaboration currently exists, and (iii) Centres of Excellence to be adopted to areas of shared priorities amongst the nations.
- ✓ **Developing a North – South Academic Corridor** should be a priority for the Irish and UK Governments as well as the Northern Irish Executive.

- ✓ **Develop a Celtic Nation Strategy:** It is recommended that higher education institutions, research funders and industry stakeholders come together to develop a Celtic Connection strategy.
- ✓ **Build on the Celtic Connection Programme:** Further collaborative events across the Celtic Nations should be encouraged.

Incentivising Research – Industry Collaboration, a UK and Ireland Perspective

- ✓ The criteria for the **R&D tax credit should be amended to encourage collaboration between industry and universities.**
- ✓ A separate **R&D tax credit for SMEs** should be developed.
- ✓ The Government should commit to implementing the targets set out in **Innovation 2020 Strategy,**
- ✓ **Academia – Industry Exchanges:** Internships, placements and secondments should be encouraged between academia and industry.
- ✓ **Ambition:** Ireland should look to the UK as an example of the ambition needed to develop the domestic research base and to encourage greater collaboration between industry, academia and societal partners.

Background and Context:

UK – Ireland Collaboration:

The UK is a significant research partner for Ireland, in fact 1:10 Horizon 2020 projects won included one research partner from the UK. Ireland and Northern Ireland also enjoy strong collaborative partnerships within Horizon 2020 with over €90m awarded for all-island projects. The UK is also Ireland's most significant partner in terms of co-authored research publications with 15,158 joint publications between 2014 and 2018.

Mobility of Students – UK and Ireland:

There are currently 9,620 Irish Students studying in the UK of which 5,040 are studying in England, 2,245 are studying in Northern Ireland, 1,970 are studying in Scotland, while 365 students are studying in Wales. This marks a continued downward trend of Irish students studying in the UK falling 12% since 2016. This reduction Brexit alone cannot be attributed to Brexit alone as a downward trend had been in place since 2011 most likely due to the England's increased tuition fees. There has also been a downward trend of UK students (incl Northern Ireland) studying in Ireland - down 20% since 2016. Concerns over the imposition of international fees for Irish students studying in the UK and British students studying in the UK has abated due to the Memorandum of Understanding (MoU) on the Common Travel Area (CTA) which guarantees reciprocal rights for UK and Irish students regardless of Brexit.

The Impact of Brexit on the UK and Ireland Higher Education and Research

Sectors:

The developing role of universities, as facilitated by student exchanges, ease of travel and large-scale European partnerships in R&D, is underpinned by EU mechanisms such as Erasmus, successive Framework Programmes and Structural Funds. The greatest concerns for the UK higher education and research sector as a consequence of Brexit include:

- Curtailed access to recruiting European staff,
- Reduced outward and inbound opportunities for students,
- The loss of EU structural funds,
- Reduced mobility of academics.

From an Irish perspective, the absence of the UK from Horizon Europe could mean:

- Reduced drawdown in areas where the UK is a key strategic partner,
- Negative impact on the strength of the European Research Area with the loss of one of Europe's leading higher education and research countries,
- Negative impact on the global reputation of Ireland with some perspective partners being unable to discern Ireland from the UK,
- A potential reduction in the overall Horizon Europe budget.

Smith Review²

In March 2019, the UK Government commissioned Professor Sir Adrian Smith, Director and Chief Executive of the Alan Turing Institute, to provide independent advice on the design of UK funding schemes for international collaboration, innovation and curiosity-driven blue-skies research. This report outlined alternative arrangements in the event the UK did not associate with Horizon Europe. One of its key recommendations is to establish an 'Agility Fund'. This fund would have two stands; the first would enable the UK to invest in emerging international programmes, while the second would capture opportunities that arise unexpectedly.

The stated position of the British Irish Chamber of Commerce on the UK's participation within Horizon Europe:

The British Irish Chamber of Commerce supports the UK's full participation as an associate member of Horizon Europe. The Chamber acknowledges that the UK will be a third country and accordingly must agree appropriate terms and conditions for that participation. There can be little doubt that the UK's absence would be a loss not just for Ireland but for the entire European Research Area. These views were articulated in the Report of the independent High-Level Group on maximising the impact of EU Research & Innovation Programmes 'Investing in the European future we want':

"Whatever Brexit modalities are agreed between the UK and the EU by 2019, full and continued engagement with the UK within the post-2020 EU R&I programme remains an obvious win-win for the UK and the EU. The UK has one of the strongest science bases of all European countries. A positive cooperation model (e.g., based on mutual investment) should be established, so that the UK remains part of the European Research Area" (European Commission, 2017, pg.24).

² 'Changes and choices: advice on future frameworks for international collaboration on research and innovation.'

‘The UK – Ireland Higher Education and Research Partnership: The Next Steps’

On 18 November 2019, the British Irish Chamber of Commerce (the Chamber) and its sponsors the Higher Education Authority, Mazars, and Scientific Foundation of Ireland (SFI) hosted a Conference on ‘The UK – Ireland Higher Education and Research Partnership: The Next Steps’, in the Mansion House, Dublin. This was the second Conference on this topic following the inaugural event at the Tower of London in May 2018.

The Purpose of the Conference was to:

1. Develop the UK - Ireland Higher Education, Research and Industry Partnership;
2. Encourage greater collaboration between the Celtic Nations of Ireland, Northern Ireland, Scotland and Wales;
3. Incentivise further collaboration between prospective industry partners and research agents across these islands.

Specifically, the Conference aimed to:

1. Recognise the level of successful collaboration that currently exists between UK and Irish higher education institutions, research funders, industry partners, and the progress made over the past 18 months. What lessons have we learnt?
2. Outline thematic areas / sectors where UK – Ireland collaboration could enhance the impact for all,
3. Consider bi-lateral funding streams that could be constructed,
4. Pinpoint specific mechanisms that could be developed to drive forward collaboration.

Attendees at this Conference included:

Representatives from the Irish Government. Due to Purdah being triggered as a result of the UK General Election, the UK Government had to withdraw from this Conference.

- Presidents/Vice-Chancellors and Heads of Research from UK and Irish Higher Education Institutions.
- Research Institutes, Funders and Agencies;
- Policy makers from Ireland and the UK;
- Relevant industry stakeholders; and
- Members and supporters of the British Irish Chamber of Commerce.

The Conference was opened by Daire Keogh, Chair of the British Irish Chamber of Commerce Higher Education, Research and Industry Committee, who set the context for the discussion and outlined the objectives for the day. This was followed by three high level addresses from:

- Mary Mitchell O'Connor TD, Minister for Higher Education,
- Niall FitzGerald, KBE, DSA, Patron of the British Irish Chamber of Commerce and Chair of the Leverhulme Trust, and
- Professor Séamus Davis, University of Oxford / University College Cork / Cornell University, USA.

The following is a summary of the main points raised by participants:

*Theme 1: Developing the UK – Ireland Higher Education and Research Partnership:
The Next Steps:*

- ✓ **A UK-Ireland bilateral research fund should be established:** Building upon the Chamber's original proposal, the following points are made:
 - **Funded mechanisms:** Mobility grants for early career researchers to facilitate international visits to conduct primary research in a given subject area, PhD training and industry placements, these would be in addition to large scale projects originally envisaged in the Chamber's proposal. Funding for networking is also crucial in terms of establishing collaborations and enabling proposal preparation
 - **Structure:** Two options could be considered namely a structure akin to the *US-Ireland Research and Development Partnership* where the programme is funded by the relevant research agency/department from each jurisdiction which contributes to the research costs of the researchers from their respective jurisdiction. Alternatively, a quasi-independent board of directors could be established made up equally of UK and Irish members. Such a board would be responsible for the direction of the bilateral fund.
 - **Resourcing the UK – Ireland Bilateral Fund:** The Irish Government has already committed to the establishment of a 'Brexit Contingency Fund', should the UK and the EU be unable to agree on a deal. This fund has been earmarked to mitigate against the disruption a 'No deal' Brexit would cause the Irish economy. Resources from this fund should be used for Ireland's

contribution to the UK-Ireland Bilateral Research Fund to safeguard UK - Irish research collaboration.

The UK Government has committed to establishing a UK Shared Prosperity Fund (UKSPF) as a replacement for EU structural funds, while the Smith report suggests an 'Agility Fund' be established "to enable the UK to invest in emerging international programmes of significant potential benefit to UK research." In addition, UKRI has the Fund for International Collaboration (FIC) and the Strategic Priorities Fund. However, funds that should be used as post-Brexit initiatives between the UK and Ireland should be in addition to existing resource allocation.

- ✓ **Joint-appointments between UK and Irish Higher Education Institutions:** In terms of replicating joint –appointments between UK and Irish universities, the following should be considered:
 - **Resources:** Such a project requires significant resources to implement,
 - **Scale:** Given the associated cost of joint-appointments, it is more suitable for projects of significant scale,
 - **Excellence:** Joint-appointments should be made between institutions that excel in a given field and where synergies would be created by such an appointment,
 - **Clear Legal Underpinning:** Given the HR, admin and costs associated with such an initiative a clear legal agreement between the parties would be required.

- ✓ **Memorandum of Understanding (MoU) between Institutions:** The recommendation from this panel was that for MoU's to work there needed to be:
 - **A Common Vision:** Where both institutions outlined their shared ambitions for the partnership,
 - **A Shared Strategy:** To implement specific commitments contained within the MoU,
 - **Real Commitments from both Institutions:** Each institution should appoint a delegated champion that will push forward the partnership,
 - **Government support:** Where it is mutually beneficial for both the UK and Ireland, support from the respective governments can help drive on such partnerships.

Theme 2 Celtic Connection: 'Encouraging Collaborations between the Celtic Nations of Ireland, Northern Ireland, Scotland and Wales'

- ✓ **Collaborate in areas that can have an international impact:** Celtic Nations need to identify areas where they excel across their respective countries and where their collaboration gives them a strategic advantage. Areas suggested included:
 - Agri-food
 - Climate
 - Culture and heritage
 - Digital technologies
 - Energy
 - Rural regeneration
 - Migration and borders
 - Material technologies

- ✓ **Mobility across all career levels underpins collaboration:** Mobility Schemes, PhD exchanges, Joint-appointments were all important initiatives and should be explored by institutions.

- ✓ **Models for Potential Collaboration:** Three options that could be considered (i) A fund where the criteria is excellence and involvement of Celtic Partners, (ii) Increase resources to areas where collaboration currently exists, and (iii) Centres of Excellence to be adopted to model to areas of shared priorities amongst the nations.

- ✓ **Create a North-South Academic Corridor:** There was full endorsement for the creation of North-South Academic Corridor. Such a corridor would underpin and increase levels of North-South student and staff mobility, enhance North-South collaborative research initiatives; and further develop existing and new multi-lateral international partnerships involving universities in Ireland, Northern Ireland and other countries. A practical first step in this approach would be the establishment of a 'North-South Research Fund' financed by the UK and Irish governments to foster areas of mutual strength.

- ✓ **Making the Case to Policy Makers:** The review of the PEACE programme has shown the significant social and economic uplift for the wider and more disadvantaged communities. Northern Ireland could be an anchor for UK, EU and Irish investment in making an economic, social and political case for specific Celtic connection funding.

- ✓ **Develop a Celtic Nation Strategy:** Individual institutions should use their existing networks to develop their relationships further. To ensure ideas are turned into action and that a co-ordinated case can be made to the respective governments, it is recommended that higher education institutions, research funders and industry stakeholders come together to develop a Celtic Connection strategy.

- ✓ **Build on the Celtic Connection Programme:** Celtic connection events should take place across the four nations on a regular basis to highlight the collaborative opportunities that exist between the nations. The re-establishment of Stormont and the Scottish – Irish Bilateral Review are examples of opportunities to enhance the Celtic Nation network.

Theme 3 Incentivising Research – Industry Collaboration, a UK and Ireland Perspective

In Ireland, collaboration is working well for larger firms as opposed to smaller indigenous enterprises. The largest 100 firms for research and development (R&D) expenditure accounting for 75% of total R&D expenditure in Ireland, of which over 80% can be attributed to foreign owned enterprises. The R&D tax credit covers 60% of the research conducted in Ireland but is primarily availed of by large multi-nationals.

- ✓ The **criteria for the R&D tax credit should be amended** to encourage collaboration between industry and universities. Coordinating business supports to facilitate regional development coupled with research incentives for universities would send a strong message.
- ✓ A **separate R&D tax credit for SMEs** should be developed: A separate R&D tax credit should be designed to encourage Irish indigenous companies to become research active. Currently Irish SMEs are amongst the least research active in the EU.

Countries which tend to have a successful research – industry collaborative ecosystem tend to be countries with high levels of general expenditure on research and development (GERD). Ireland lags behind with 1.2% GERD as a percentage of GDP (1.4% of GNP) compared to the EU average of 2.0% GDP. The centrepiece ambition of ‘Innovation 2020’, Ireland’s national research strategy was to increase total investment in R&D in Ireland to 2.5% of GNP by 2020. Ireland has missed this target by some distance. It is imperative that the successor to ‘Innovation 2020’ addresses this shortfall.

- ✓ **Appropriately Fund the Successor to ‘Innovation 2020’**: Ireland needs to invest in research for the long terms needs of its economy; it’s no longer a choice but a necessity if Ireland wants to become a research leader.

The common ingredient for successful collaborations is the point to point relationship between the industry partner and the researcher. It’s important in developing these relationships that faculty and students engage with industry at an early stage. Accordingly, the following points are made:

- ✓ **Internships** should be encouraged where appropriate within the curriculum.
- ✓ To ensure cutting edge research is maintained there needs to be a more coordinated effort to ensure young researchers connect via **placements with relevant industry partners**. Placing researchers into industry has the effect of ensuring that industry is using

the most up to date research and techniques while simultaneously fine tuning the practical skills of the researcher. This type of research activity works best through long term strategic partnerships with industrial partners where joint objectives are identified and plans towards achieving these are developed.

Research – Industry Collaboration – A UK Perspective

The UK has significant experience with research – industry collaboration. There are numerous tools available in the UK to increase academia’s links with industry. In the UK there are opportunities to work with industry at all levels (Masters, Doctoral, Post-Doc) to take research forward with engagement with industry for the benefit not just to the industrial enterprise but society as a whole. The Cardiff City Deal as an example is a programme agreed between the UK Government, the Welsh Government and the ten local authorities in South East Wales which aims to bring about significant economic growth in the region through investment, upskilling, and innovation.

The establishment of UK Research and Innovation's (UKRI) has created a regional based agenda for research endeavours. In practical terms enterprises lead initiatives with academics partnering in support. UKRI’s Creative Clusters invests resources through match funding from universities and the private sector to establish research and development partnerships that generate a step-change in the creative industries, developing new services and creating high skilled jobs.

The UK is committed to increasing R&D investment to at least 2.4% of GDP by 2027. The UK’s research agenda is global in its outlook with a clear focus domestically on research – industry collaboration.

- ✓ Ireland should look to the UK as an example of the ambition needed to develop the domestic research base and to encourage greater collaboration between industry, academia and societal partners.