



## ESRC ECONOMIC IMPACT BASELINE 2009/10

### 1. Executive Summary

This report provides an update on the Economic and Social Research Council's (ESRC) fundamental contribution to the UK's economic performance. A series of case studies are highlighted in the following pages, which provide clear evidence of the impact of ESRC research, resources, postgraduate training and knowledge transfer activities on the most challenging issues and questions facing our society today.

Highlights are presented under the three broad headings of the RCUK 'framework for the future', exemplifying the important contribution of the social sciences to these inherently interdisciplinary challenge areas, and demonstrating the breadth and depth of ESRC-funded research. These highlights are further contextualised by the objectives of the Council's Strategic Plan<sup>i</sup>, which places creating and supporting impact at the heart of the Council's strategy across all areas of activity.

#### ➤ *Productive Economy*

By drawing on its world-class research portfolio and investments in innovative people exchange activities, the Council and its investments have provided evidence-based advice to Government, businesses and individuals on aiding recovery from the economic recession. The Council is thus making an enormously important contribution to the UK's economy during a time of considerable challenge.

The innovative and pioneering work of the Council's work in evaluating impact is also emphasised, focussed this year on trialling a novel method for quantifying the economic value of ESRC research. The studies funded to explore this 'tracking backwards' approach were able to provide robust estimates of the value of the ESRC contribution to two major policies – the Education Maintenance Allowance and the Pathways to Work Initiative.

#### ➤ *Healthy Society*

In addition to the ESRC's substantial portfolio of research in this area, here the focus is on the impact of individuals – both the role of senior ESRC-funded researchers in providing direct advice to government, and the vital contribution that the Council makes to the UK economy through the delivery of skilled people to the UK labour market.

#### ➤ *Sustainable World*

The importance of partnership working is underlined, in particular the invaluable role that social science plays across the range of RCUK Programmes, including the successful Rural Economy and Land Use Programme, which is managed by the ESRC. The Council's research also has a significant international impact, and case study evidence is provided in support of this.

## 2. Key Impact Measures

<b>Expenditure</b>	ESRC Expenditure (Net of staff and operating costs)	2007: £149m 2008: £166m 2009: £183m
<b>Investment</b>	Research	2007: £100m 2008: £106m 2009: £119m
	People Skills	2007: £47m 2008: £56m 2009: £60m
	Knowledge Transfer	2007: £2m 2008: £4m 2009: £4m
<b>User collaboration</b>	ESRC's External co-funding	2007: £16m 2008: £21m 2009: £28m
	Follow-On Grants (The Impact Grants Scheme was wound-down in 2008, and replaced with the Follow-On Grants scheme. Figures for 2009 reflect the numbers of Follow-on Grants funded in the first two rounds of the scheme)	2007: 21 2008: 10 2009: 19
<b>Human Capital</b>	ESRC trained people joining the UK labour market (Figures based on an 80 per cent thesis submission rate and 94 per cent employment rate)	2007: 500 2008: 530 2009: 556
	ESRC sponsored people transfers from academia to non-academic organisations	2007: 37 2008: 40 2009: 65
<b>Business</b>	ESRC seminars for business	2007: 14 2008: 28 2009: 39
	ESRC workshops on entrepreneurship and commercialisation	2007: 6 2008: 6 2009: 6
	New Knowledge Transfer Partnerships	2007: 9 2008: 11 2009: 15
	New Collaborative innovation vouchers	2007: 0 2008: 50 2009: 47

	New CASE awards	2007: 18 2008: 19 2009: 18
<b>Policy &amp; Practice</b>	New Knowledge Transfer Partnerships	2007: 17 2008: 19 2009: 42
	New CASE awards	2007: 65 2008: 69 2009: 63
	Concordat agreements with strategic partners	2007: 16 2008: 23 2009: 19
	Knowledge Transfer Learning and Development Workshops (In 2009, these workshops replaced Getting Research into Practice Workshops, and cover engagement with three key non-academic audiences – business, public and third sectors)	2007: 5 2008: 5 2009: 9

### 3. Economic Impact of ESRC Research

The ESRC and the excellent social science it funds make a critical contribution to the UK's economic performance. The Council is committed to providing a strong knowledge and evidence base for economic policy and decision-making, and the values that underpin ESRC research: quality, impact and independence, are fundamental to achieving this. This report demonstrates the breadth and depth of the Council's research portfolio, and provides evidence of the many and varied ways that this research and related activities both contribute to a greater understanding of the ever-changing economic and social context, and inform effective interventions to respond to current challenges.

It is vital that policy and practice should be informed by the best possible research evidence. Independent evaluation of ESRC research since 1995 shows that 92 per cent of projects have been of outstanding or good quality; for research evaluated in 2009, the figure rises to 96 per cent, reflecting a year on year improvement in the number of projects receiving the highest grades over the past five years. Meanwhile, international benchmarking assessments have demonstrated that UK social science is second only to the United States in terms of research quality and impact and leads the world in some areas<sup>ii</sup>.

The concept of economic impact in the social sciences embraces all the extremely diverse ways in which research-related knowledge and skills benefit individuals, organisations and nations by (i) fostering global economic performance, and specifically the economic competitiveness of the United Kingdom, (ii) increasing the effectiveness of public services and policy and (iii) enhancing quality of life, health and creative output. In 2009, ESRC published its Strategic Plan 2009-14. This plan places creating and supporting impact at the heart of the Council's strategy across all areas of activity.

## Implementing the Strategic Plan 2009-14

Examples of current or planned activities to enhance the impact of ESRC funding under each of the five objectives identified in the Council's Strategic Plan include:

*Impact through world class social science research:* All ESRC researchers are now required to provide clear evidence of their pathways to engagement with users in order to generate and demonstrate impact from the outset, throughout and following the research process, and the Council's internal structures and processes are being restructured to facilitate better assessment and monitoring. The Council has also recently introduced a new project final reporting system that will capture more evidence of impact from grants.

*Impact through skilled people:* The new postgraduate training framework will introduce more flexible, innovative training programmes for ESRC students, and the Council is committed to offering every ESRC-funded postgraduate student the opportunity of a 3-month internship in the public, private or third sector. The Council will continue to support the exchange of skilled people through its innovative placement fellowship schemes.

*Impact through world class infrastructure:* As a result of longstanding ESRC investment, the UK has a world class data infrastructure, which we will continue to develop, offering an unrivalled evidence base for direct use by the public, private and voluntary sectors, as well as by researchers.

*Impact through international leadership:* Through close and sustained collaboration with international partners, the ESRC has enabled UK social scientists to work with renowned international researchers, and funded major international research programmes. Working with three European partners, the ESRC has recently launched a common call for research proposals under the Open Research Area for Europe.

*Impact through partnerships:* Strategic engagement with stakeholders has ensured greater impact from ESRC research, and the Council has an excellent track record of working with partners from all sectors to co-fund high quality, high impact research through the Ventures and knowledge exchange schemes.

Working in partnership with the other Research Councils, ESRC funded research and training make an indispensable contribution across the RCUK framework for the future, cultivating the essential research and skills to provide the bedrock for the UK to have a **productive economy, healthy society** and contribute to a **sustainable world**. The case studies below provide a selection of recent illustrations of the impact of ESRC research under each of these three mutually supportive areas. Due to the confines of space for this report, it is only possible to report on a tiny fraction of the many and varied examples of the far-reaching impact of ESRC-funded social science - further illustrations of this wider impact can be found on the ESRC's website at: [www.esrc.ac.uk](http://www.esrc.ac.uk)

### 3.1 *Research for a Productive Economy*

The effects of the economic downturn have been felt in all parts of society. In order to counter the impact of the downturn, we need to know what can be learned from research findings - from previous recessions, from market behaviour and policy impacts. Social science can help to determine, for example, which parts of our system remain viable, design governance to avoid future collapses, and look for new ways to enhance economic performance in the context of scarce public funds. The ESRC funds a range

of economic and related research through research programmes, centres and research projects, both on a global, regional and individual level, and through this research has been able to provide a great deal of evidence-based advice to the UK Government to help combat the economic recession and prepare for the upturn.

### **Advice on the Economic Downturn**

Research undertaken by the ESRC-funded Centre for the Microeconomic Analysis of Public Policy<sup>iii</sup> (CPP) at the Institute of Fiscal Studies (IFS) has played a hugely valuable role advising government officials, opposition politicians and the media to help understand and respond to the shock to the public finances caused by the financial crisis and associated recession. Examples of this advice include: briefing notes on the outlook for government borrowing and debt, and on the options for fiscal tightening which were presented at the main party conferences and launched alongside an online tool for users to conduct their own 'Spending Review 2010'; a paper on the outlook for NHS spending; the Scottish Economic Society / Royal Bank of Scotland Annual Lecture in Edinburgh in November on the case for a new independent body to produce official public finance forecasts; and the 2010 IFS Green Budget, produced in collaboration with Barclays Capital and Barclays Wealth, which contained an assessment of the challenges facing the Chancellor.

In 2009, the ESRC ran a series of five Public Policy Seminars<sup>iv</sup> to explore important economic and policy issues related to the financial crisis. ESRC Public Policy Seminars aim to bring the best social science concepts and evidence into the policy arena and stimulate a discussion of how, in the light of these insights, policy can be developed. The goal is to encourage evidence-based policy through an exchange between researchers and policy-makers on the changing economic circumstances. Seminar topics in this particular series ranged from 'Voluntary Action and the Economic Downturn' (in collaboration with Volunteering England and the National Council for Voluntary Organisations) to 'Herd Behaviour, Contagion and Regulation'.

Findings and outcomes from previous ESRC research have also been able to make significant practical contributions to assist businesses and individuals in coping with the effects of the economic downturn and securing efficiency savings. In 2009, the ESRC refreshed its Business Engagement Strategy<sup>v</sup>, outlining a number of strategic priorities, for example in the areas of innovation, business models and skills, which will direct the Council's engagement with the business community and enhance the ESRC's role as the leading source of social science-related evidence for business in the sectors of Financial Services, Retail and Sport, Leisure and Tourism. The Council has also recently introduced its Follow-on Fund, which provides opportunities to undertake additional knowledge transfer and impact generation activities arising from existing research, which can demonstrate the potential for significant economic, social, policy and/or practice benefit(s). Applications that seek to commercialise research are particularly welcomed.

### **Impact on Business and the UK Labour Market**

When large manufacturing firms collapse a key challenge is to help former workers find suitable and acceptable re-employment. Professor David Bailey of Coventry University led a team of researchers in carrying out ESRC-funded research on the economic and social impact of the MG Rover closure in 2005<sup>vi</sup>.

The team found that, three years after closure, over 90 per cent of workers were back in work but many workers had taken significant pay cuts. Sixty per cent of workers had undergone training and education: two thirds of them took up the offer of free training places offered by local agencies, whilst others underwent training by their new employers. The types of assistance and support that people found most helpful were free travel to a training course or job interview, a free place on a training course, being sent on a training course by a new employer, and help with setting up a business. However, most of those who found a new job still did so through their own initiative or through personal contacts.

The research suggested that a mix of different policies is required in such situations to help people who have been made redundant find new employment and to ensure that local needs are suitably addressed. As a result, the researchers were able to inform public agencies and employers how best to deal with plant closures: employees need to be given the necessary skills to cope as industries change; they must have access to high quality, flexible education and training programmes so that they can find different types of work; and they must have support from information and mobility programmes. This research has been used recently, for example with LDV in Birmingham, by helping to frame policy responses to situations where plants have closed and, in turn, help ex-employees improve their chances of finding new work.

There are longstanding concerns that small firms are financially constrained due to information asymmetries in capital markets. In this context, the UK Survey of SME Finances (UKSMEF) is a series of surveys which provides policy makers, and other research users with a close analysis of SMEs, their owners and the availability and cost of finance. Previous surveys have been carried out by Warwick Business School in 2004 and 2008, with the 2008 survey receiving significant ESRC funding through the Ventures scheme. Findings from the 2008 survey are already providing policy makers at BIS and HMT with valuable information: the ongoing value of UKSMEF to policy makers is shown by BIS's decision to fund the fieldwork for a follow on survey in 2009. The Bank of England led the consortium which commissioned the 2004 survey; the findings from UKSMEF 2008 have also been consulted by policy advisers at the Bank.

Finance providers have also benefitted from previous surveys. UKSMEF 2004 provided private banks with important independent evidence on how well they had responded to the Competition Commission's recommendations in 2002 to improve competition in the supply of banking services to SMEs. Barclays Bank has found UKSMEF particularly useful and it has used versions of the questionnaire in several of its own surveys of SME finances, as well as providing £150,000 of funding for UKSMEF 2008. Overall, the benefits of the survey series to policy makers and finance providers are reflected in the over £750,000 that has been invested in UKSMEF since 2004 by both public and private organisations.

SMEs are also beneficiaries of the research to the extent that the information in UKSMEF has resulted, and will continue to result, in better policy making. For example issues raised by previous surveys were instrumental in the Government's formation of taskforces for female and ethnic minority entrepreneurs. UKSMEF 2009 will specifically help policy makers design new policies to replace Enterprise Finance Guarantees after the scheme finishes at the end of March 2010.

#### *ESRC-funded people transfer*

People transfer is widely recognised as one of the most effective means of knowledge exchange and as an important driver of economic and social impact. The ESRC has led

the way in introducing a range of flexible and innovative knowledge exchange schemes to promote and support the bi-directional movement of people between the business and public sectors, and academia. These ESRC schemes were highly commended in the October 2008 report by the Council for Science and Technology<sup>vii</sup>, alongside a recommendation that they be extended further across other Research Councils and government departments. In 2009, a pilot scheme offering placement opportunities with third sector organisations was developed, through which six placements were supported.

The ESRC's involvement in Knowledge Transfer Partnerships (KTPs) is another prime example of 'people transfer' activity. The ESRC is a key partner in the Technology Strategy Board-operated (TSB) scheme. KTPs aim to enable businesses, public sector, and third sector organisations to improve their competitiveness, productivity and performance by forming a partnership with an academic institution, enabling the organisation to access skills and expertise by bringing 'associates' from the academic institution into the organisation to work on a specific project or projects. Over the past three years, the ESRC has co-sponsored well over 100 partnerships through this scheme.

### **Economic Impact through People Transfer**

An award winning Knowledge Transfer Partnership (KTP) completed by the University of Manchester and Bradford and Airedale Teaching Primary Care Trust<sup>viii</sup> has resulted in cost savings of over £350,000 for the Trust and significantly improved access to healthcare for local residents.

The project has improved the effectiveness and efficiency of the Trust's logistical assets, through ensuring that all patient, staff and non-patient movements are carried out in the most appropriate and cost-effective manner. By addressing the transport issues that made access to healthcare difficult, the project has made major progress in improving access to health services, resulting in fewer missed appointments and a more efficient use of clinical resources.

In addition to providing a better service, financial savings have accrued from more effective contracting and the use of community transport in place of more expensive transport methods. The project is predicted to deliver direct savings worth over £1 million within three years.

The success of the project was recognised at the 2010 KTP Awards, where the project received the ESRC accolade for Best Application of Social or Management Science and the Regional award for Yorkshire and Humberside.

#### *Evaluating the economic value of ESRC research*

The Council's Research Evaluation Committee (REC) has made significant progress in developing new methods for assessing the economic impact of the research it funds. This work is part of an initiative to assess the wider policy and practice contributions of ESRC research. Work completed to date has demonstrated a wide range of economic impacts of ESRC research, identified the drivers of social science impact and provided lessons and informed best practice for increasing further the impact of ESRC investments. A summary of the findings from the Council's work in impact evaluation is available on the ESRC website<sup>ix</sup>. This summary includes an emerging conceptual framework reflecting routes to impact, and will be updated regularly to incorporate new findings from work in this area.

In 2009, the REC funded two major studies to trial a novel method of quantifying the economic value of the impact of ESRC research. This is a challenging task because of the widely acknowledged difficulties associated with attribution and time-lags. The approach of these studies was to ‘track backwards’ from policy initiatives to identify ESRC research contributions to these policies and, using benchmarking data from government evaluations of these policies, to attempt to quantify that contribution.

### **Economic Impact on Policy**

*Education Maintenance Allowance:* Clear evidence of a long-running interplay between research and policy in this area was identified, which informed discourses and shaped the accepted mores of policy-makers, although it was difficult to make a direct connection between such influences and the decision to introduce the EMA. The study did, however, identify clear social science and ESRC contribution to the successful implementation of the EMA, specifically through the government evaluation of the initiative, which was conducted by a consortium of leading research institutions, including the Institute for Fiscal Studies, and relied heavily on social science expertise.

By undertaking a cost-benefit analysis of the EMA in terms of increased attainment levels and participation in post-compulsory education, it was possible to estimate the benefits of the policy outcomes in terms of increased lifetime earnings of the target population. As well as influencing the decision to continue with the EMA by demonstrating its effectiveness, the national evaluation also had an impact on its efficiency, by identifying the most cost-effective variant of the pilot scheme. The study calculated the benefits associated with these efficiencies and used them as a baseline for the assessing of the value of ESRC’s contribution to the EMA, estimated to be around £10m.

*Pathways to Work Initiative:* Through the tracking back approach, the study identified clear evidence of the contribution of ESRC funded research and researchers to the design, development and implementation of the Pathways to Work initiative. This influence was found to be largely indirect, for example, by supporting leading researchers and research centres, and developing new methodologies and data sources – in particular, ESRC supported researchers made substantial contributions to the 2002 Green Paper that set out the proposals for Pathways to Work.

Through a detailed analysis of the publications that were identified as key research influences on the development of this Green Paper, an ‘ESRC impact ratio’ was developed, suggesting that ESRC funding was associated with 24 per cent of the overall impact of Pathways to Work. This ratio was then applied to the benefits identified in the government evaluation’s cost benefit analysis, giving an estimated ESRC contribution in the order of £2m over the period 2003-09

The Council will undertake further work on impact evaluation in 2010, including an innovative study which aims to assess the conceptual influence of social science research on policy development; and an evaluation of the ways in which the knowledge and skills of social science postgraduates have an impact in non-academic organisations.



### **3.2 Research for a Healthy Society**

Maintaining and promoting physical and psychological health and wellbeing for all the population is an essential condition for a more prosperous and cohesive society. Social science research has demonstrated that individuals in less advantaged positions are more likely to suffer poor health and that childhood circumstances, as well as showing that material and environmental disadvantage over an individual's lifecourse can have long-term implications for health and wellbeing.

#### **Impact on Child Wellbeing**

How to help children at risk of social exclusion and what government policy can do to maximise the potential wellbeing of every child was a question pursued by Professor Ann Buchanan of the University of Oxford<sup>x</sup>.

Using existing data gathered over a long period as well as new material, Professor Buchanan and her team looked at the outcomes for children with psychological problems, who were less satisfied with life and who had poor social networks. They found that children in separated or divorced family situations or in extreme poverty were at some risk of social exclusion, but the biggest risk factor was a child spending time in state care. The research, supported by the ESRC, also showed that fathering helped protect children from later exclusion. Although many fathers were not very involved in their children's lives, simply 'being there' protected children against many adversities.

When the research team looked at children with divorced parents they found enormous damage was done to children when their parents were in conflict over their futures following divorce. Professor Buchanan's most recent research has shown that grandparents can be important in helping children cope with family difficulties.

As a result of this and other research, policies have changed: children are now kept with their families wherever it is safe to do so and extra support is given to those who have to be taken into care. Much greater efforts are now made to involve fathers in the legal processes after divorce and in their children's lives, and other attempts are being made to reduce conflict around post-divorce arrangements for children.

More recently the research on grandparenting has hit the headlines and the findings are now incorporated in the policy of both the Government and the Opposition.

In 2009, ESRC-funded researchers continued to make significant direct contributions to the formation of policy, through the provision of advice to government in the form of collaborative work, responses to consultations, briefing papers, targeted seminars and a variety of other mechanisms, with an average of 8 seminars held by major ESRC investments annually for a policy audience.

#### **Impact of ESRC Researchers**

The significance of work for wellbeing is well established. The use of conditionality – a requirement on individuals to fulfil conditions such as attending interviews in return for receiving full benefits - has become a significant element of welfare systems in the UK and elsewhere over the past two decades. Its use has been accompanied by the introduction of personalised support to help benefit claimants move from welfare into work. Elements of conditionality exist in the UK welfare system for jobseekers, but it

has been far less developed for lone parents and people claiming benefits by reason of health or disability. In July, 2008, the Secretary of State for Work and Pensions assigned Paul Gregg, Professor of Economics at the ESRC Centre for Market and Public Organisation<sup>xi</sup> at the University of Bristol, to conduct an independent review of conditionality and consider how a more personalised regime might be achieved. The resulting report, 'Realising Potential', and its recommendations, together with other work by Professor Gregg and fellow academic researchers, are making significant contributions to legislation and the development of welfare policy in the UK.

Trained social science researchers also make important contributions to the economy both through employment in organisations outside of academia and through collaborative work with private, public and third sector employers during the course of their training. In addition to standard studentship training, the ESRC operates a number of schemes to promote people transfer and user engagement in the social sciences including CASE studentships, the student internship scheme and the Social Science Workplace Experience Programme.

More than 500 ESRC trained researchers join the UK labour market each year, with over 20 per cent recorded as employed in the business and public service sectors of the economy. The ESRC's postgraduate training programme plays a major role in making sure that students have the analytical skills that are valued highly by employers. In particular, the Council has continued to emphasise quantitative capacity as part of the transferable skills base that ESRC trained researchers can offer to employers.

#### **Impact of ESRC Postgraduate Training**

Whilst undertaking her ESRC/MRC studentship, Sarah Sowden was in close contact with exercise referral scheme providers, commissioners and others undertaking research in this field. She became aware of work being undertaken by the British Heart Foundation to produce a toolkit for Exercise Referral Scheme referrers, commissioners and providers. As a result close engagement with the BHF during her research, her work has been cited in chapter 1 of the toolkit and she provided input to the consultation on the draft. Upon completion of her PhD, Dr Sowden returned to working in the NHS where she is a Specialty Registrar in Public Health. During her first placement at Northumberland Care Trust she was able to directly use some of the knowledge gained through her PhD research to assist in drawing up a standard service specification for commissioning of exercise referral services across Northumberland.

### **3.3 Research for a Sustainable World**

An increasing world population, the changing environment and the economic rise of countries such as China and India are all placing increasing pressure on resources, from food, to water, to energy. Urgent, dramatic and far reaching action is required now to address these challenges, and social science research has a critical contribution to make, in partnership with the natural and physical sciences.

#### **Impact in Developing Countries**

Helping developing countries to deploy low carbon energy technologies is a crucial

part of any future global deal to tackle the causes and consequences of climate change. Yet policymakers have struggled to get to grips with how to accelerate the use of low carbon technology at a global level.

Research from the ESRC Sussex Energy Group<sup>xiii</sup> and its international partners has identified the barriers that are slowing progress and policies that accelerate innovation through a new approach to technology cooperation between developed and developing countries. The researchers analysed existing literature on technology transfer and technological change and carried out five case studies of low carbon technologies at different stages of commercialisation in India. The technologies included LED lighting, hybrid vehicles and more efficient power generation. The researchers' policy recommendations directly shaped the UK government's negotiation position for the recent climate change negotiations in Copenhagen, and the Chilean and Indian governments have sought the researchers' advice for their policies towards technology transfer.

#### *Partnership Working:*

The ESRC makes a substantial contribution to cross-Council research programmes. The highly successful Rural Economy and Land Use Programme<sup>xiiii</sup>, which is managed by ESRC in a partnership with NERC, BBSRC, Defra and the Scottish Government, is widely held as an exemplar, both in its achievements in fostering genuine interdisciplinarity between social and natural scientists, and in its innovative and productive approach to knowledge exchange and the maximisation of impact.

#### **Impact through Interdisciplinary Research**

Flooding has become an issue of great concern over recent years and understanding its causes and how we can reduce risk is the focus of increasing efforts among scientists. Researchers from the natural and social sciences working on the Rural Economy and Land Use Programme's *Understanding Environmental Knowledge Controversies*<sup>xv</sup> project have taken the phenomenon of flooding and used it to investigate a new way of doing science. They want to improve the way in which the public are involved in decisions about environmental controversies and use local expertise that is not currently being exploited. In their first study area, Ryedale in North Yorkshire, which has experienced serious flooding in recent years, they formed the Ryedale Flood Research Group, made up of residents and scientists, to carry out the research collaboratively. This collaboration produced a customised computer model of local river systems, which enabled group members to try out their own ideas for managing local flood risk and resulted in a proposal to build bunds for upstream storage which has now been adopted by Defra as a pilot scheme.

Projects across the Rural Economy and Land Use Programme have also influenced the policies of a major retailer. The programme involves stakeholders throughout the research process, bringing researchers to talk to stakeholders at regular forums, and enabling feedback from the people who will put the research into practice. Marks and Spencer's Technical Director David Gregory remarked particularly on projects researching biological control of pests and investigating the ecological footprints of food produced in the UK and abroad. He said "Inevitably involvement with such a proactive programme has influenced how a company such as Marks and Spencer approaches crop and product development. For example we have had follow up

meetings with researchers on biological pest controls which in turn has helped inform our pesticide strategy. The work on water resources in the lifecycle analysis of food crop production has made us rethink our approach to developing crops in North Africa.”

The ESRC is also deeply embedded in the £1 billion multi-agency ‘Living with Environmental Change Programme’<sup>xv</sup>, where the social science contribution will be critical to the achievement of overall programme goals. Although the Programme as a whole is led by NERC, the ESRC is taking the lead on public engagement activities. The Centre for Climate Change Economics and Policy, chaired by Lord Stern of Brentford, represents a significant investment for the ESRC under the LWEC Programme, and is already demonstrating important impacts on policy.

### **Impact on Climate Change Policy**

In February 2009, the ESRC Centre for Climate Change Economics and Policy<sup>xvi</sup>, together with the Grantham Research Institute on Climate Change and the Environment, published a report on ‘An outline of the case for a ‘green’ stimulus’, by Alex Bowen and co-authors.

The main findings of the report were reported by the media in many countries around the world. The main recommendation of the report, that about 20 per cent of economic recovery packages should be used to promote action against climate change, was used as a benchmark against which budgets were assessed.

The authors were invited to meet with key decision-makers, such as the UK Committee on Climate Change, and to present their findings at workshops and conferences. The report also generated an invitation to produce a joint report with Potsdam Institute for Climate Impact Research on ‘Towards a global green recovery’ which was presented to the German Foreign Minister ahead of the G20 summit in London in April 2009. The summit communiqué included a commitment to “make the best possible use of investment funded by fiscal stimulus programmes towards the goal of building a resilient, sustainable, and green recovery”. The research influenced the Government’s position on developing the Green Economy in the last budget, and ongoing work at the Centre is examining the implications for climate change on UK economic policy.

#### **4. Forward Look**

Over the next year the ESRC is committed to building on its already substantial economic impact across the objectives detailed in the Strategic Plan 2009-14. ESRC researchers across the entire portfolio are encouraged to consider their potential pathways to impact and to put in place steps to achieve this impact. The Council works closely with its investments to assist them in achieving impact through the provision of relevant training and development and access to a range of knowledge transfer opportunities. Undoubtedly, there will be another impressive array of impact case studies to report in the 2010 Economic Impact Baseline Report and, whilst it is difficult to predict exactly where these impacts might arise, a small selection of anticipated highlights for the year ahead are identified below:

*Census of Population Programme*<sup>xvii</sup>: A major focus of the programme’s current activities is engagement with 2011 census planning, particularly informing methodology and output

specification. This involves the specialist programme units and several of the current small awards. The director and unit staff represent the academic community through key advisory committees and expert groups including the Census Academic Advisory Committee; Census Outputs Working Group; UK Census Design and Methodology Advisory Committee; National Statistics Centre for Demography Advisory Board and the Scottish Census Steering Committee. A notable impact has been working with the UK census agencies and other organisations to develop a new approach to the dissemination of 2011 Census data using new technologies and the web. This work was presented to key stakeholders, including senior census managers, in May 2009 and is reflected in the 2011 Census Outputs Strategy.

*Understanding Society*<sup>xviii</sup>: Understanding Society is a world leading study of the socio-economic circumstances and attitudes of 100,000 individuals in 40,000 British households. The study allows for deeper analysis of a wide range of sections of the population as they respond to regional, national and international change. Understanding Society will greatly enhance our insight into the pathways that influence peoples longer term occupational trajectories; their health and well-being, their financial circumstances and personal relationships. Understanding Society also breaks new ground with its interdisciplinary focus. The study will capture biomedical data on 20,000 participants and place this alongside rich social histories, helping us weigh the extent to which people's environment influences their health relative to their genetic make-up. Emerging results from Wave 1 of the data collection will be available from late 2010.

*Global Uncertainties*<sup>xix</sup>: ESRC is leading this cross Council research programme which has the overall aim of helping governments, businesses, societies and individuals to understand the complex nature of security drivers, whether natural or man-made, to provide insights and knowledge on how security threats develop and how they can be predicted, detected, prevented and mitigated. We will work with a range of stakeholders and focus on six key areas; ideologies and beliefs, threats to infrastructures, terrorism, cybersecurity, transnational organised crime and countering the proliferation of chemical, biological, radiological, nuclear and explosive weapons and technologies.

*Global Food Security*<sup>xx</sup>: Food security is one of the major challenges facing the world; 800 million people worldwide already do not have adequate access to safe and nutritious food. The food price volatility of 2008 led to unrest and brought further hardship in a number of countries around the world. Global food supply chains are highly interdependent and problems in one country, or in the developing world, can cause significant knock-on effects in the UK. There is the potential for a greater crisis in the coming years as expected global population growth of around 50 per cent to over 9 billion by 2050 is coupled with increasing affluence and urbanisation in rapidly developing countries. UN forecasts predict world demand for food will increase by 50 per cent in the next 20 years and 70 per cent by 2050.

Through leading the development of the economic resilience theme of the programme, ESRC is playing a leading role in this BBSRC led multi agency programme which aims to jointly develop a research strategy and identify priorities and shared goals, aligning partners' own programmes and adding value through collaboration.

## References

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