

<b>Institution: University of Aberdeen</b>
<b>Unit of Assessment: Economics and Econometrics UoA18</b>
<p><b>a. Context</b></p> <p>Research that induces non-academic impact is an integral and natural part of the Department's portfolio. Though its research takes many forms and ranges from purely theoretical investigations to directly applied market related research, it is predominantly concerned with economic issues with real life applications. Its research, therefore, has informed both industry and public debate and has a proven capacity of improving private and governmental decision making. The Department's main sources of impact stem from the theme 'Energy and Environmental Economics', and the related themes of 'Labour Economics' and 'Health Economics'.</p> <p><b>A. Energy and Environmental Economics.</b> With Aberdeen at the centre of European Oil and Gas markets, the Department has actively pursued energy related research. Dating back to the 1970's, research has investigated an array of issues concerning oil exploration and energy usage. This group's modelling provides independent and reliable information which is trusted by its user groups: Industry, Scottish and UK governments. Each year the team provides its users with research information based on exclusive high quality data on UK Continental Shelf activity provided by the leading body for the UK offshore industry; Oil and Gas UK (OGUK). Two case studies concern impact on constitutional change in Scotland and impact on UK treasury tax policy.</p> <p><b>B. Labour and Health Economics.</b> As the labour market constitutes roughly seventy per cent of GDP, it is all the more important to ensure it operates efficiently. Thus Labour Economics has been at the heart of the Department's research for the last forty years. Its researchers have dealt with wide ranging themes with policy implications such as labour market discrimination across gender and race, public sector pay, absenteeism from the workplace, low pay, ethnicity, the effect of trade unions, the influence of education on earnings capabilities, social mobility and wellbeing in the work place. The Department is also increasingly applying empirical methodologies to its growing focus on health issues. The main user groups are government agencies in the UK and Europe, but also include private institutions and firms. We present one case study from this research group which reflects the emerging interface between labour and health market economics. It considers the effect of socioeconomics issues on labour market experience and health inequalities.</p>
<p><b>b. Approach to impact</b></p> <p>The Department's approach has been designed to i) encourage research attaining high levels of significance, ii) cultivate relationships with key users that maximise the reach, iii) develop an internal infrastructure that facilitates the process of impact and iv) utilise University wide structures that promote impact. On a practical level this implies the Department has developed infrastructure and processes that follow relevant research from initial inception through to final impact. It involves 1) academic publication and advertising strategies to ensure a wide readership, 2) impact consideration at the research inception stage, that sometimes but not always involves the grant proposal process, 3) briefing papers and reports that translate academic research to non-academic user groups, 4) profiling activities in the media, 5) engaging users through events at Aberdeen and 6) engaging users in an external setting. This structure, which has aided impact in the past and will promote it in the future, is outlined below.</p> <p><b>Research awareness.</b> The Department has a dynamic research culture aimed at high quality research capable of inducing impact. Research is published in recognised academic general and field journals ensuring a wide readership. The University of Aberdeen Business School website and the University Public Research Profile website is used to advertise publications, whereas early access to work is provided through the University working paper series and the Scottish Institute for Research in Economics (SIRE) discussion paper series.</p> <p><b>Grants.</b> Central to the Department's research strategy is its active pursuit of external funds, where strategy and support is outlined in REF5. It is involved in a series of grants, which individually have an embedded approach to impact and where the resulting publications are either products of close to market related or policy relevant research. A further linkage promoting impact is the teaching buyouts typically associated with grants that in turn are used for user engagement purposes. The industry value and impact of the energy group can be measured by the trust OGUK has placed in them: OGUK have awarded grants to the group, led by Kemp, in every year of the REF2014 period (totalling approximately £700K). Other important key grants designed to generate impact are several EU level grants. An example of this is Phimister's involvement in the EU grant: RURAL ECMOD: Ex-ante Spatial Policy Impact Analysis of the RDR in European Rural Areas,</p>

research which is cited in the European Commission 2011 report 'The CAP towards 2020 - Assessment of Alternative Policy Options'. The Labour and Health group has secured a series of large EU projects led by Theodossiou, such as the EU 7<sup>th</sup> Framework Project (FP) "HEALTHatWORK" that aims to enhance knowledge and EU policy on health and safety at work. The Office of Manpower commissioned Battu, Elliott and colleague (2009) to investigate local pay differences for school teachers in England and Wales. Their research, that reported regional pay variation was needed, was referred to in a TUC publication (2012). It reflects the long-standing research of Elliott (submitted to UoA2) into differentiated regional pay and low pay which has informed him in his role as an Independent Low Pay Commissioner, whose advice is reported regularly to the Prime Minister and Secretary of State for Business Innovation and Skills.

**Briefing papers and Reports.** Key research findings are given a broader readership through a series of briefing papers and reports aimed at a non-academic audience. The Energy related North Sea Study Occasional Papers series has produced sixteen papers in this REF period alone. These have, for instance, been referred to in the OGUK 2012 publication on Fiscal Insight. Kemp also submitted House of Commons Select Committee (Energy and Climate Change) memorandums on Scottish Independence on energy and climate change and on North Sea oil and gas industry implications of the Budget 2011. Kemp provided a briefing paper 2008 referred to in a Scottish Government publication (2012) on its own expenditure. The Department has also contributed to SIRE's focus paper series, such as Zangelidis (2011) on the effect of eye care in Scotland. There are several reports that have arisen from the above grants, such as the RURAL ECMOD briefing paper (2009) presented to the EU. In addition all the final reports on the above mentioned EU grants have been submitted to the EU. The HEALTHatWORK project also deposited material on the website platform Anticipedia, which is an interactive web depository run by the EU.

**Media and Web appearances.** The Department is aided by the University's Communication Unit that produces press releases, advises staff on appropriate media outlets and appearances and interviews. The projects often involve press releases, such as the EU 6<sup>th</sup> FP: Territorial Aspects Of Enterprise Development In Remote Rural Areas (TERA)-press release (2008) or newsletters, such as the third newsletter (2011) in connection with HEALTHatWORK. Coverage has included interviews on BBC (Radio and TV) and ITV, articles in the major UK broad sheets such as the FT, Guardian, Telegraph, Times, Observer, Sunday Times and the Independent. Examples of this are the approximately 50 articles in the Scotsman referring to Kemp alone. In addition research has received coverage in magazines such as the Economist. International coverage includes Al Jazeera, Die Zeit, Handelsblatt, Le Monde and The Wall Street Journal. Theodossiou appeared in 2010 on a live EU run web-debate, through Anticipedia, together with representatives from the EU presidency and the EU's Consultative Commission on Industrial Change. Kemp appeared in a BBC 2013 webcast relating to energy related matters.

**Public Meetings at Aberdeen.** The Department regularly invites users to attend meetings at the University, either face-to-face or through organised public events. For instance, the launch event in 2009 of the Aberdeen Centre for Research in Energy Economics and Finance (ACREEF), with an inaugural speech by Scotland's Minister of Finance, John Swinney, was used to profile the work of the Energy Group and was attended by over a hundred individuals, including representatives of the Scottish Government and the oil industry. Another high profile example with similar user group attendance was the 2012 book launch of Kemp: 'The Official History of North Sea Oil and Gas' commissioned by the UK government as part of the prestigious Whitehall Histories: Government Official History Series, which included a public lecture given by the Scottish First Minister, Alex Salmond. The Labour group organised a (2013) SIRE Conference on Performance Related Pay, involving a round table SIRE Policy Forum with the Deputy Director of the Scottish Office of Chief Economic Advisers and the Head of Human Resources for Aberdeen City Council. The Department has hosted meetings with representatives of public organisations, from Scotland (e.g. a senior statistician and team for the Scottish Government) and the UK (e.g. staff from the Bank of England) and funded a weeklong visit to the Department in 2013 by a representative from the European Centre for the Development of Vocational Training-an EU agency to aid policy decision making of the European Commission and the EU member states.

**External Interaction with user groups.** Engagement with non-academic users takes many forms. Though the majority of activities involve personal contact between users and researchers, the Department is also actively involved in SIRE's policy forums that are coordinated from within the Department by Montagna. There have been eight of these forums that bring academics and

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Scottish Government representatives together to discuss research relating to key economic issues.

The Energy team is in a unique position within the UK Oil and Gas sector and instrumental in shaping government and industry discussions. Kemp is frequently an invited speaker by industry and government with over forty presentations in this REF period, involving several to the Energy Institute (London and Aberdeen) and a keynote address to the 2010 New Zealand Petroleum Conference. He draws heavily on his research in his many public responsibilities, such as sitting on the Scottish Energy Advisory Board to the Scottish Government-chaired by the First Minister of Scotland. Research is actively disseminated to government and industry. For instance, Kemp effectively fed research induced proposals to policy makers when acting as a Specialist Adviser to House of Commons Select Committee on Energy for its inquiry into North Sea Oil and Gas, 2009. The modifications in the tax system to enhance new investment in the UKCS introduced in the UK budget 2009 (see e.g. chapter 4) are consistent with his original proposals and research. The group's Carbon Capture work is given theoretical support by Swierzbinski, who gave evidence to the premier industry technical workshop 'Technical on Carbon Capture and Storage' in 2008 hosted by the Science and Innovation Network Team of the British Foreign and Commonwealth Office in Houston. Phimister participated in discussions with the EU Directorate General for Agricultural and Rural Development Office in 2009. The TERA project conference (2008) and a RURAL ECMOD meeting (2009) involved representations from the European Commission.

Engagement activities of the Labour and Health group across the EU concern "HEALTHatWORK" led by Theodossiou, included meetings with EUROSTAT in 2009 and several meetings with the European Commission in 2009 and 2010. Evidence has been presented to government agencies in Denmark, Finland, France, Greece, Latvia, and the Netherlands. In the UK this involves the Department of Trade and Industry, NHS Health Scotland and the Trade Union Congress. Theodossiou's work has also been referenced in European Commission reports, e.g. in 2012 'Socio-economics costs of accidents at work and work-related ill health'. Barmby was invited to present research evidence on absenteeism to the Swedish Social Council in 2009. He has also fostered links with industry as diverse as taxi companies and the financial service industry and has been in close discussions with the human resource managers of these firms concerning the optimal payment profiles that his research would suggest. Hvide presented his research on the role of personality traits for entrepreneurial entry to the Norwegian Commerce and Trade Ministry.

**c. Strategy and plans**

The Department will continue to produce industry and policy relevant research. It will build on the internal and external structures outlined above to disseminate results and engage with its users. Central in its strategy is the utilisation of its two research centres: The Centre of European Labour Market Research (CELMR) and ACREEF as implements to create a focus, to inform non-academic users and to disseminate its research conclusions to a wider audience. On the Labour and Health Economics side the Department has had a series of successful bids under the European Framework system of funding that have generated a large group of users within the EU. It will seek to maintain its active discourse with EU institutions as well as a large set of policy oriented contacts mainly within public institutions and government agencies, but also within the private sector. The Department seeks through ACREEF to maintain a close relationship to the local and international oil industry. Aberdeen is ideally positioned for this. Industry as well as policy makers within the field of energy make up an extensive network of users that the Department will continue to cultivate, through regular visits and frequent ACREEF events. The Department will continue to address calls from funding sources that naturally lend themselves to generating impact.

**d. Relationship to case studies**

Our case-studies: 1. Economics of Constitutional Change in Scotland, 2. North Sea Oil & Gas Taxation and Activity Levels and 3. Socioeconomic Status and Labour Market Experiences: Effects on Quality of Life and Well-Being and Individual Health, exemplify our approach to generating impact. Underlying each case study was an initial identification of research issues of interest to policy makers. The case studies all stem from strategically targeting grants where high quality research is capable of yielding substantial impact. This has also been coupled with a policy of active dissemination. In turn this meant the research was given wide media coverage. The case studies demonstrate further the active strategy of building, engaging and maintaining close contact with policy makers. They demonstrate our efforts to maximise first the significance of our research to government stakeholders and second the reach of impact across Scotland, the UK and the EU.