

---

## **Strategic Development Fund**

**20 May 2005**

**Ref: W05/27HE**

To: Heads of higher education institutions in Wales;  
Principals of directly funded further education colleges

Summary: This circular informs institutions of the establishment of a new Strategic Development Fund which will operate from 2005/06 and provides details of the purpose and proposed operation of the fund.

Response by: No formal response date

Further information: Leanne Holborn  
Telephone: 02920 682259  
E-mail: [leanne.holborn@hefcw.ac.uk](mailto:leanne.holborn@hefcw.ac.uk)

---

## INTRODUCTION

- 1 This circular informs institutions of the establishment of a new Strategic Development Fund which will operate from 2005/06 and provides details of the purpose and proposed operation of the fund.

## BACKGROUND

- 2 The statement by the Minister for Education and Lifelong Learning of the 9<sup>th</sup> June 2004 represented the clearest possible declaration of the Assembly's continuing commitment to pursuing reconfiguration and collaboration as the means of securing a robust, dynamic and competitive higher education sector. The Minister expressed an expectation that the Council will also deploy other funding streams, specifically the core grant, to provide further incentives for action within the principles of *Reaching Higher*.
- 3 With the end, in AY 04/05, of the Research Capacity Development Fund, a sum of £2.9m annually becomes available. It is intended to use this sum (rounded to £3m per annum) strategically to take forward the Minister's requirement.

## PURPOSE OF FUND

- 4 The purpose of the fund will be to support collaborative initiatives and, to a lesser extent, initiatives within individual institutions, that will significantly address the *Reaching Higher* agenda, but at a level lower than, or of a character different from, that which would be appropriate for the Reconfiguration and Collaboration fund.
- 5 Illustrative examples (by no means exhaustive) of potential uses of the fund include:
  - Development of management capability shared between institutions (e.g. to address procurement, HR and sustainability issues)
  - Collaboration in teaching and learning including pedagogical innovation (e.g. e-learning)
  - Subject rationalisation
  - Development of Third Mission activity between institutions and with external partners
  - Pump priming development of research infrastructure between institutions
  - Contributing to funding proposals involving other parties such as the WDA, other Assembly partners, or other UK-wide agendas.
- 6 The fund will not be available to support initiatives which could reasonably be supported by the Research Councils or other funding bodies, including HEFCW core funding; neither will it normally be available to support studentships.

## CRITERIA FOR PROPOSALS FOR FUNDING

- 7 Proposals will need to demonstrate:
  - How they address key elements in *Reaching Higher*
  - How they relate to institutional Strategic Plans
  - What the benefits will be for each participating institution and for Wales
  - How the activity will be sustained beyond the funding period
  - That they will lead to significant and sustainable change in processes or activities within, or between, institutions
  - Evidence of demand - how the activity will meet a clearly expressed existing need

- Feasibility – how the work will be achieved within the proposed timescale, given the skill sets and experience available to the proposers
- That the same activity is not being concurrently funded from another source - this does not prohibit a proposal having contributions from two or more sources, if they are clearly funding different aspects of the activity which can be separately accounted for
- What contributions the proposers or other partners will themselves make.

## **SUBMISSION OF PROPOSALS**

- 8 Reflecting the intention that this will be a fund for strategic developments, proposals will be invited by the Council in the light of issues emerging from dialogue with heads of institution and other partners in Wales or the wider UK. We expect to fund, typically, 6-8 substantial initiatives in any one year (with the possibility of a few very small ones). The submission of proposals will be a two-stage process: an initial expression of interest and then, if appropriate, a fully developed proposal for formal consideration by a quarterly Assessment Panel chaired by the Chairman of the Council. The initial expressions of interest will be made on standard proforma which will be issued when proposals are invited by the Council.
- 9 The fund will be maintained for a minimum of three years but each initiative will usually receive no more than 2 years of funding.
- 10 We would not normally expect any one institution to be the lead partner on more than two proposals in any year. However, there will be no restriction on the number of proposals that an institution can be involved in as a partner. Dialogue between the Council and institutions will be via the office of the Vice-Chancellor or Principal.

## **MONITORING**

- 11 Progress reports will be provided by the institutions according to a schedule determined by the Council at the point of confirming support for any initiative. For all initiatives, the Council will require a final report giving an assessment of how well the initiative has met its original objectives and highlighting any lessons or good practice which might benefit the sector.

For further information, contact Leanne Holborn (Tel 02920 682259; E-mail [leanne.Holborn@hefcw.ac.uk](mailto:leanne.Holborn@hefcw.ac.uk)).