

HE-BCI Guidance

1. Part B of the HE-BCI survey is primarily concerned with gathering numeric and financial data regarding third stream activity. While any low-burden questionnaire is likely to not capture everything given the complexity of such interactions, the majority of an HEI's third stream income should be reflected under HE-BCI. While completion of the survey is now a condition of grant between UK HEIs and their respective funding bodies, it is likely that any audit carried out on HE-BCI data will be concerned with overall KT income figures; for example HEIs should be confident of the total income from knowledge-related business interactions even if it is not possible in every case to draw exact distinctions between categories such as contract research and consultancy.
2. Data (both income and numbers of interactions) should not need to be returned twice under the questionnaire except for the specific sub-set questions regarding regional partners and overseas interactions. Financial data should always be returned as in your HEI's audited accounts.
3. It is important for the survey to distinguish between types of partner (such as SMEs and non-commercial organisations) to allow for the understanding that there may be a number of indirect economic benefits brought about by these interactions that may be additional to those provided to larger commercial business. For example, CPD for nurses may be delivered to either public or private health providers although the former is likely to be seen as having a wider social impact.

Sub-sections

Throughout part B, data are requested at the level of

- SME (including sole-traders and micro business)
- Other (non-SME) Commercial business
- Non-commercial (includes public sector, not-for-profit and charities)

Data are also requested by

- RDA region
- Overseas

4. Such data are understood to be difficult to collect as they may be difficult to gather (does the client know if they are an SME) and difficult to collate (HEI information systems do not always collect such information). However, the third stream of funding in the UK is deployed to enhance the contribution of HE to the economy and society and the UK's competitiveness at local, regional, national and international levels; these contributions will be as complex and diverse as the users and beneficiaries themselves.

Table 1a Collaborative research

5. Income returned under 1a should be for research projects with at least 2 partners in addition to the HEI, one of which is a Government or public body. In the context of collaborative research, it is the collaboration rather than the nature of the research that is of primary importance for HE-BCI. Collaborative research with no external partners other than UK HEIs should not be included i.e. all data returned should include a non-HEI third party. There is no requirement that the external partner be UK-based.

Partner	Contribution	Comment
Your HEI	£250k	
Government Department	£500k	
Private commercial business	£250k + and use of equipment	As the equipment has not been given a specific financial value in the contract it is not possible to include the value of such 'in-kind' contributions.

Return as £1M under Other UK Government

Partner	Contribution	Comment
Your HEI	10 days of staff time. Explicit in contract at £1,000 per day + £100k general resource	As the in-kind services are noted in the contract it is possible to return the value under HE-BCI.
ESRC	£500k	
Private commercial business	Access to facilities and commercially sensitive database valued in the contract at £1M	

Return as £1,610k under OSI/Research Councils

KTPs and CASE awards	Various	Income should be returned in line with formal accounts	While these data are available elsewhere, KTPs and CASE awards are central to many HEI's KT strategy and therefore should be included.
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Return income attributable to the survey year

Table 1b Contract research

6. While 1a collects the income from collaborative interactions regardless of the nature of the research, table 1b should be used to return specific contract research. It is likely that some HEIs will have difficulty discriminating between the objectives of any such research; however, it is vital that income returned under 1b is able to be understood as UK HE meeting the specific research needs of external partners. It is assumed that few external bodies other than the Research Councils, HE funding organisations and some charities, will provide funding for 'blue skies' research without specifying the desired output of the project. In many cases, contract research is likely to be a service that could be procured from non-HEIs providers.

7. While in the case of research funded by public bodies, there may have been a tender process, awards and grants made for proposals from the HEI should not be included. In particular, basic Research Council grants should not be returned as Contract Research. There may be cases where a Research Council has commissioned research for its own uses but generally income from RCs and other research funding bodies (including charities) should be seen as basic research income and not be returned as Contract Research through the HE-BCI survey.

8.

Client	Project	Contribution should be FEC	Comment
BBSRC	Research and profile previous BBSRC grants and their effectiveness and recommend improvements to impact of funding	£50k	Return Returned as £50k under 1b non-commercial partners
BBSRC	Mapping a genome	N/A	Do not return Not returned under HE-BCI
Research Council	Any responsive mode grant	N/A	Do not return It is likely that most responsive mode grants are part of the core research funding arena and not relevant under HE-BCI
Non-SET disciplines	Various including commercial	Income returned in accordance with	Return Traditionally,

	application of social sciences etc and a range of contributions to creative and cultural industries	general HE-BCI rules	information gathered regarding contract research may have been seen as focussed on the SET subjects. This is not the case under HE-BCI as all relevant research benefiting the economy and society should be included.
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Table 2a Consultancy

9. The principles for returning consultancy are similar to those for contract research; although it is likely that all consultancy is relevant to HE-BCI. External clients will have a clear idea of the desired output from the HEI consultants and are likely to have been able to procure such services from non-HE providers.

10. Consultancy is understood to be the provision of expert advice and work which, while it may involve a degree of analysis, measurement or testing, is crucially dependent on a high degree of intellectual input from the HEI to the client (commercial or non-commercial) without the creation of new knowledge (although new understanding is the main desired impact). Such work is usually paid for at a market rate, and may (if relevant) deliver stronger IP rights to the business client than would apply in a collaborative research relationship

Client	Project	Contribution should be FEC	Comment
HEFCE	HE-BI survey 1999-00	£50k	Return Original HE-BI survey was developed by University of Newcastle.
A.N. Other plc	Various. Usually one or more academics employed at a fixed rate.	Professor Smith @ £1,000 per day for 10 days = £10,000	Return The full value of the contract should not be returned. Income should be returned only as attributable to activity from the survey year.

Table 2b Equipment and facilities services

11. Data returned here should relate to use by an external party (not another HEI) of the physical academic resources of the HEI. This could range from electron microscopes to performance space. Provision of such resources may include a degree of, for example, technician support. However, where a high level of expert knowledge is provided, usually by academic staff, that part of the activity may be defined and reported as consultancy instead.

12. Where examples are given under 1b and 2a that contract research and consultancy returned under HE-BCI could have been procured from a non-HE provider, the same is not true for 2b. In this instance, HE-BCI is attempting to capture extra contributions made because of the unique nature of an HEI. For example, HEIs offering conference facilities on a purely commercial basis should not return such income unless there is added knowledge-related value to the event. 2c captures many simple interactions relating to facilities that, not only benefit the economy, but may also lead to further relationship building between HEI and client.

13. Simple trading activities, such as the commercial hire of conference facilities that could be obtained from a non-HE provider, should not be included.

Client	Project	Contribution should be FEC	Comment
Aerospace company	Use of wind tunnel	£20k	Return
Community theatre	Use of stage	£5k	Return
Conference	Academic-related	N/A	Do not return Academic conferences should not be included as their impact is likely to be aligned with research and teaching strategies
Conference	Non-academic	N/A	Do not return
Sports facilities	Any	N/A	Do not return

Table 2c Education for business and the community

14. Continuing professional development (CPD) is defined as-

A range of short and long training programmes for learners already in work who are undertaking the course for purposes of professional development / upskilling / workforce development – i.e. it does not relate to undergraduate courses where, for example, the students go on placement.

15. Programmes can be award-bearing, credit-bearing (i.e. individual modules) or non-credit bearing. While much CPD type activity may be returned through the HESA non-credit bearing record, it is understood that this would not provide a full picture. Judgement should be used when including courses that have formal credits attached.

Return:

- Students taking, for example, one credit-bearing module from a formal course (at whatever level of study).
- A short course developed for a specific client or group of clients
- An externally recognised short course, e.g. NEBOSH certificate
- An academic programme based in or around work-place practice, designed for a specific employer / sector / external body (e.g. PG Cert in Public Library Management or University Certificate in Urban Regeneration.
- Post-qualification CPD activity (e.g. programmes aimed at upskilling healthcare professionals, excluding Masters programmes)
- Career development courses designed to allow employees to attain a new professional status e.g. healthcare assistants qualifying as nurses, classroom assistants qualifying as teachers etc.)

Do not return :

- Pre-qualification courses aimed at novices / school leavers (e.g. initial teacher or nurse education)
- Employability / placement activity aimed at full-time students gaining work experience
- Post-graduate training

16. While mainstream teaching activity should not be returned, CPD and similar students taking, for example, one module from a formal course (at whatever level of study) should be included.

17. Data returned should reflect income from business and community clients, partner organisations and individuals. It is assumed that where fees are paid by the employer, there will be a direct benefit to the student's performance in their employed role. Individuals (employed or not) may be undertaking similar training albeit with a less immediate impact on the economy and society.

18. Individuals approaching the HEI for education needs should be included. This question has been included this year in response to feedback from CPD practitioners who felt that much valuable activity was not being acknowledged.

19. We have also re-introduced a field for the total person (learner) days of CPD delivered. Again, while it is understood that these data may not commonly be collected centrally, a number of respondents were keen to attempt to return these data as they are considered a vital third stream indicator.

20. The volume of activity should be shown in terms of student contact hours, irrespective of the number of staff involved, and should include lectures, tutorials, field study and supervised small group study periods.

21. Contact hours do not include individual study periods outside the class or periods of practical work which are not supervised by staff involved in the running of the programme of study. For example, a programme of study of 20 one-hour meetings and 20 hours of unsupervised practical work would be returned as 20 contact hours multiplied by the number of students registered on the programme of study.

22. For the purpose of this survey, one day is considered one person receiving 8 hours of teaching/training. For example 10 people attending a one-day course equals 10 person days. 10 people attending a weekly 2 hour course for 4 weeks equals 10 person days.

23. CPD courses for business and the community may include a variety of teaching methods including virtual learning and off-campus provision. In all cases the students should be returned under the organisation that funded their place as this is assumed to be a proxy for the direct impact of the education beyond the individual.

24. Where individuals are returned, there should be a strict focus on those who are developing/enhancing specific employability or professional skills. Therefore much activity that may be classed as continuing education (CE) may be returned but it is unlikely that all CE is relevant in this survey.

25. Where CE is provided at a higher level, regardless of subject, it is likely that the HEI is making a contribution relevant under HE-BCI. It is also likely that wherever CE is delivered in line with core learning and teaching activities (i.e. by the same department and staff) that the income should also be returned under HE-BCI.

26. Activity where CE is delivered at lower levels and in more general subjects is not relevant under HE-BCI as such activities should not be supported by the third stream.

27. Please exclude pre-registration education, funded by the NHS, for nurses, physiotherapists, dental technicians, midwives etc. CPD for registered/qualified nurses etc should be included and exclude TTA-funded students studying for a PGCE (CPD for teachers may be returned) as these will be collated from the HESA student record.

Client	Project	Contribution should be FEC	Comment
An HEI	IP Negotiation	£x	Return under 2c non-commercial
An individual from the design sector	CAD refresher	£x	Return under 2c commercial as this is likely CPD
NHS	Nursing course	£x	Do not return
NHS	Nursing CPD	£x	Return under 2c non-commercial
Mr A.N. Other	Time management module of accredited MBA course	£x	Return An individual may be an employee following a course as the wish of the employer (commercial or otherwise) or could be a sole trader.
Individual CE	Archaeology taster course	£x	Return For example, a course run by an academic department and/or staff that may feed learners into higher (level 4 and above) education may be included as CE
Individual CE	Basic numeracy	£x	Do not return If no specialist HEI knowledge or resources are required then income should not be returned in this context. It is possible that some such education activities may be relevant under Table 3 – Regeneration if there is a level of public funding in the project

Table 3 Regeneration

28. Regeneration income should be returned as income from the public body that allocates it. It is understood that a number of grants for regeneration activity are closely linked with expected outputs such as providing consultancy for agricultural enterprise. Given that these interactions (i.e. business support for SMEs) often have quantifiable outputs, they may be returned where relevant providing general HE-BCI guidance is taken in to account.

29. In order to maintain the simple and established format of the survey; it has not been desirable to add new questions to assess these activities in isolation. It is therefore advised that Regeneration income is returned in table 3. The related activities may be returned in the appropriate table (for example CPD, Consultancy, Equipment and facilities etc.) However, the general guidance that nothing should be reported twice still applies and any income or activity should only appear once in Part B (with the exception of the RDA area sub-totals).

Funding body	Regeneration area	Income	Comment
ERDF	Urban renewal	£500K to provide CPD to 50 companies	Return £500K returned under Table 3 (Not 2c) but should numbers be returned as CPD
Local authority	Town planning	£200k	Return It is possible that an interaction such as this could be returned as consultancy for example. While it is difficult to develop strict guidance for all instances, double counting should be avoided in all cases.

Table 4a IP revenue

30. Revenue from IP is a vital indicator for the value added by HEI when interacting with a range of external partners. IP may commonly be in the form of licenses granted to private companies allowing them to exploit an invention protected by a patent. While this is a fundamental element of knowledge exchange it should be remembered that patents are only one way of protecting certain types of intellectual property.

- Patents
- Copyright
- Design registration
- Trade marks

31. Please include all income from IP not reflected elsewhere in this survey. Income figures should be provided by partner type (SME, non-SME commercial and non-commercial) for software, non-software and 'other' licences.

Client	Type of IPR	Exploitation	Comment
SME/Private/Public	Patents, design registrations, copyright (trademarks)	Any and all IP exploitation should be considered for HE-BCI return	Return Income from all IP agreements from all types of IP should be included
SME widgets	Patent on new technology	License to produce product	Return HE-BCI is designed to collect IP income to the HEI, as a measure of HE's impact. Only income to the HEI should be recorded
Large corporation	Copyright (music)	'Mood music'	Return Music written for a specific business need (public or private) is part of the business model of the external partner and therefore the contribution of the HEI should be acknowledged.

Furniture manufacturer	Design	A chair	Return Income from design interactions and licensing should be returned under table 4
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- No. patent applications filed in the year = includes PCT applications
- No. patents granted pa = Individual patents and any individual national patents
- Cumulative portfolio of active patents = no of individual active *and* live patents
 - Active patents are those currently under license to an external party
 - Live patents are those registered but yet to be licensed
- Licence no. –To include licence agreements (non-and exclusive), assignments (out), exercised option agreements (on IP already generated – excl. options embedded in research agreements where IP is still to be created), licences to spin-outs (either royalty or equity bearing) and income-generating MTAs
- IP revenue - To include any income (upfront/milestones fees, royalties, patents costs re-imburement) received from the agreements listed above. Gross income to the University – before disbursements to inventors and other interested parties – will differ from HESA FSR that only captures share retained by the University.

Table 4b IP Expenditure

32. See above and include salary and related costs of specialist IP staff, patent and other protection fees and legal expenses.

Table 4d Spin-off companies

4d Spin-off activity	Number established	Number still active which have survived at least 3 years	Number of active firms	Estimated current employment of all active firms (FTE)	Estimated current turnover of all active firms (£000s)	Estimated current equity (£000s)
Spin-offs with some HEI ownership Formal spin-offs, not HEI-owned Staff start-ups Graduate start-ups						

Spin-offs are defined as companies set-up to exploit IP that has originated from within the HEI.

Formal spin-offs, not HEI-owned are those companies set-up on IP that has originated from within the HEI but which the HEI has released ownership (usually through sale of shares and/or IP).

Staff start-ups are those companies set-up by active (or recent) HEI staff but not based on IP from the institution.

Graduate start-ups include all new business started by recent graduates (within 2 years) regardless of where any IP resides. Undergraduate start-ups should only be included where there has been formal business/enterprise support from the HEI.

For number of companies, HEIs should return the number of new companies for the survey year, the total number of active companies and the number that are at least three years old. Therefore a new company should be noted in both 'new' and 'active' columns, a three year old company will be in two columns whereas a company that is two years old should only be returned under 'active'.

While it is understood that information on the performance of spin-off companies is often difficult to collect and, potentially, commercially sensitive, such data are invaluable in term of measuring third stream activity. Table 4d recognises that there may be a degree of 'expert estimation' required in responding, especially as there is a new request for total equity.

Estimates for staff, turnover and equity (financial investment received by the company) should be included where possible.

Table 5 Social, community and cultural (SCC) activities

33. HEFCE and the HE-BCI Stakeholders group have spent much time in developing indicators to measure the impact of activities where financial income is a more inappropriate proxy for impact. These activities, categorised as SCC, are numerous and varied and, as such, difficult to measure in a robust low burden manner.

34. One day is assumed to be 8 hours.

35. If, despite best efforts, no reasonable estimation of staff hours can be arrived at please estimate the total number of events in the feedback section. Include knowledge/facility related events, in particular events designed to raise awareness of diversity (examples of events are welcome in the feedback section). Exclude open days, SU activity, simple trading activity and commercially operated conferences.

Examples-

Event	HEI Contribution	Impact	Comment
Public academic lecture	Staff time	Attendees	Return It is not practical to collect FTE attendees or to attempt to gauge the indirect impact of such events although it seems unreasonable to suggest such events would be attended were they not valuable
Public lecture	Venue (and resources)	Attendees	Return Table 5 attempts to use academic staff time as a proxy for impact so is not relevant in this context. If no such time has been invested, the event may still be applicable to table 2b
Performance and exhibitions	Venue, resources and staff time	Attendees (although students will also benefit from many of these interactions)	Return Staff time should only be included for the event itself (not the

			time committed to supervising students during their core studies
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Suggested definitions links

CASE

<http://www.rcuk.ac.uk/innovation/fundingkt/collabtrain.htm>

KTP

<http://www.ktponline.org.uk/>

IP matters

<http://www.patent.gov.uk/manage.htm>

SME

<http://www.dti.gov.uk/innovation/nms/faqs/page32346.html>

Research (<http://www1.oecd.org/publications/e-book/9202081E.PDF>), which can be summarised as 'original investigation undertaken in order to gain knowledge and understanding'. It excludes routine testing and analysis and the development of teaching materials that do not embody original research.

State Aid

<http://www.dti.gov.uk/bbf/state-aid/index.html>