

# Research, Innovation and Engagement: HEFCW's role and action plan to 2015/16

## Introduction

### Purpose

This document presents HEFCW's role in relation to the research, innovation and engagement agenda in the immediate to medium term, ie that defined by the current Corporate Strategy period to the end of 2015/16<sup>1</sup>. It sets out our operational approach in terms of specific actions we will take to add value to what universities in Wales are already delivering, and hope to deliver, across this policy area. This agenda includes activity at Wales and UK, as well as European and international levels.

### Audience

This document is intended to be of interest to heads of institutions; PVCs responsible for research; PVCs responsible for innovation and engagement; international directors; research support officers; industrial liaison officers; European liaison officers; Welsh Government Department of Education and Skills; Welsh Government Department for the Economy, Science and Transport; Office of the Chief Scientific Adviser for Wales.

### Background

We recognise the clear relationships between research and innovation and engagement activity in the HE sector. The introduction of impact into the way that research quality is assessed across the UK via the Research Excellence Framework (REF) has brought these relationships to the fore and is now driving activity in our universities. We also recognise that universities are successful in building a wide range of productive partnerships to support and promote research, innovation and engagement activity. However, the withdrawal of our Innovation and Engagement Fund (IEF), one of the consequences of the introduction of full-time undergraduate fee grants in Wales, means that universities no longer have a dedicated HEFCW fund to support their individual strengths in this area<sup>2</sup>.

This is at odds with the rest of the UK, where our counterpart HE funding bodies are increasingly investing in these activities, in recognition of the essential role that universities have in boosting the economy. In England, funding streams for research and innovation/engagement are ring-fenced by Government. In Scotland and Northern Ireland, too, universities continue to benefit from a predictable and flexible

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<sup>1</sup> [HEFCW Corporate Strategy](#)

<sup>2</sup> HEFCW defines innovation and engagement activities as those which stimulate and direct the application and exploitation of knowledge to the benefit of the social, cultural and economic development of our society.

source of funding that underpins their performance in relation to business and community interaction and is therefore seen as a catalyst to innovation.

In Wales, the role of universities in the economy was acknowledged with the publication of the Welsh Government's innovation strategy, *Innovation Wales*<sup>3</sup> in July 2013. As an economically-lagging region, with low levels of private sector research and development, Wales is arguably more dependent on its universities than are England and Scotland - for delivering and supporting business innovation; for securing highly competitive external sources of funding and inward investment; as well as for the provision of high level skills. We recognise there is a role for HEFCW in supporting the sector across this breadth of activity. A particular focus will be on the impact agenda, not least in a post-REF 2014 context, but also in the context of the growing attention given to impact by the UK research councils, eg via their trialling of Impact Acceleration Accounts. HEFCW will have a key role in helping the sector manage the impact agenda and to understand developments in policy taking place across the UK.

HEFCW remains the largest single source of dedicated research funding in Wales and we will continue to give priority to research funding streams (Quality Research (QR, £71m) and Postgraduate Research (PGR, £5m<sup>4</sup>) in direct support of our research policy objectives (as outlined in our current Corporate Strategy). At the same time, we recognise that the withdrawal of HEFCW IEF currently presents our universities with a significant challenge. With our evidence to the *Review of Higher Education Funding and Student Finance Arrangements in Wales*<sup>5</sup> particularly in mind, we will therefore work in partnership with the sector and with the Welsh Government to build a fuller picture of sector activity in relation to the research and innovation and engagement agendas; to maintain and promote the reputation of the sector; and to enable a focus on long-term, sustainable investment though seeking and developing innovative funding solutions in support of the knowledge economy in Wales.

### **Assessing the impact of our policies**

We have carried out an equality impact assessment (EIA) screening to help safeguard against discrimination and promote equality. We also considered the impact of policies on the Welsh language, and Welsh language provision within the HE sector in Wales. Contact [equality@hefcw.ac.uk](mailto:equality@hefcw.ac.uk) for more information about EIAs.

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<sup>3</sup> [Innovation Wales](#)

<sup>4</sup> 2014/15 figures

<sup>5</sup> [Review of Higher Education Funding and Student Finance Arrangements in Wales](#)

A similar responsibility rest on higher education institution partners to assess the impact of their proposals to help safeguard against discrimination and promote equality.

## Research, innovation and engagement: HEFCW's role

This document describes a role for HEFCW in three respects:

1. HEFCW's role as a **funder** (current and future investment or resource)
2. HEFCW's role as a **regulator** (an arms-length body, sitting between Government and universities in Wales)
3. HEFCW's role as a **facilitator** (a responsive expert)

We have identified specific objectives under each of these areas, underpinned by a detailed list of actions. A summary of this activity is included in the table.

HEFCW's role	Objectives	Summary of activity
1. Funder	1.1 To continue to provide direct funding for research in universities in Wales in support of HEFCW's Corporate Strategy and research policy objectives (attached). Through this, to support sustainable excellence in research activity that stands comparison internationally; to strengthen the quality and quantity of the research base, while striving for more logical and coherent critical mass; and to aim for at least one Welsh university listed in the top 100 in the world. <i>(Role 3, HEFCW as a Facilitator, is also important in this respect, in relation to the promotion of the research base.)</i>	<ul style="list-style-type: none"> <li>• Provision of QR and PGR in line with REF 2014 outcomes, and consider a fundamental review of the research funding method post 2015/16</li> <li>• Contribution to Welsh Government programmes that aim to build capacity in the research base</li> <li>• Distribution of funding allocated by UK and Welsh Governments in support of research capital</li> </ul>
	1.2 To assure the quality of the research we fund through future REF exercises.	<ul style="list-style-type: none"> <li>• Oversee arrangements for the completion of REF 2014 and the development of arrangements for future REF exercises</li> </ul>
	1.3 To maintain a focus on long-term, sustainable investment	<ul style="list-style-type: none"> <li>• Funding and monitoring of collaborative Innovation and</li> </ul>

	<p>for innovation and engagement activity through:  (i) supporting the transition away from ring-fenced IEF;  and (ii) seeking and developing innovative funding solutions, in partnership with the sector and the Welsh Government.</p>	<p>Engagement Fund projects; and working with the sector to support their transition post HEFCW funding</p> <ul style="list-style-type: none"> <li>• Jointly fund and manage GO Wales to December 2014; development of business plan for new GO Wales programme in partnership with the sector</li> </ul>
2. Regulator	<p>2.1 To monitor institutional approaches to research, innovation and engagement through corporate processes. <i>(Much of the evidence monitored and evaluated here will also contribute to HEFCW's role as a Facilitator under Role 3).</i></p>	<ul style="list-style-type: none"> <li>• Development of a fuller picture of sector activity in relation to research, innovation and engagement by means of: <ul style="list-style-type: none"> <li>• New arrangements for strategic engagement</li> <li>• Monitoring of Corporate Strategy Targets and annual institutional risk analysis</li> <li>• The annual HE-BCI Survey</li> </ul> </li> <li>• Promotion of equality of opportunity in relation to the research, innovation and engagement agenda</li> </ul>
3. Facilitator	<p>3.1 To fulfil the role of responsive expert on higher education in Wales, including the provision of an all-Wales (and, where appropriate, a pan-UK) perspective.</p>	<ul style="list-style-type: none"> <li>• Provide input to UK Government, Welsh Government and National Assembly for Wales consultations and inquiries</li> <li>• Promote the strengths and reputation of the HE sector in Wales</li> </ul>
	<p>3.2 To support and promote research, innovation and engagement activity, and access to external funding by working in partnership with universities and other organisations across Wales, the UK and internationally.</p>	<ul style="list-style-type: none"> <li>• Work with partners to maximise the sector's EU grant capture and influence in support of research, innovation and engagement activity</li> <li>• Support UK activity and concordats that directly support the sector in research, innovation and engagement activity</li> </ul>

	<p>3.3 To develop an evidence base for future funding of research, innovation and engagement activity.</p>	<ul style="list-style-type: none"> <li>• Use available data sources to construct a picture of sector activity, with particular reference to the provision of input to the (Diamond) <i>Review of Higher Education Funding and Student Finance Arrangements in Wales</i></li> </ul>
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## Research, Innovation and Engagement: objectives and associated actions

### 1. HEFCW as a funder

- 1.1 *To continue to provide direct funding for research in universities in Wales in support of HEFCW's Corporate Strategy and research policy objectives. Through this, to support sustainable excellence in research activity that stands comparison internationally; to strengthen the quality and quantity of the research base, while striving for more logical and coherent critical mass; and to aim for at least one Welsh university listed in the top 100 in the world.*
- a) Give priority to maintaining QR in support of our research policy objectives and Corporate Strategy commitments.
  - b) Give priority to maintaining PGR in support of postgraduate research activity in Wales.
  - c) Retain the existing research funding method for 2015/16, but consult on technical adjustments to the existing formula in advance of REF 2014 outcomes.
  - d) Allocate QR in line with REF2014 outcomes.
  - e) Consider a more fundamental review of the research funding method post 2015/16.
  - f) Recognising that Wales' share of QR funding is around 3.9% of the UK total (a share which has decreased over recent years), work with the Welsh Government to boost the capacity of the research base through a contribution to its new *Spearhead* programme.
  - g) Jointly fund (30%) the Welsh Government's *Sêr Cymru* programme: Research Chairs and three National Research Networks with associated graduate academies - Advanced Engineering and Materials; Life Sciences and Health; Low Carbon Energy and Environment. Monitor progress in terms of spend and targets.
  - h) Until March 2015, fund and monitor the remaining research focused Reconfiguration and Collaboration Fund projects.
  - i) Distribute funding allocated by the UK Government's Department of Business, Innovation and Skills (BIS) and Welsh Government in support of research capital and monitor its intended and/or actual use.
  - j) Support the sector in the development of proposals under the UK Research Partnership Investment Fund (UKRPIF). Distribute funding and monitor successful bids.

- k) Provide funding for Welsh Crucible<sup>6</sup> in support of research staff development, recognising its commitment to providing equality of opportunity to highly promising researchers working in Wales.

1.2 *To assure the quality of the research we fund through future Research Excellence Framework (REF) exercises*

- l) Through our membership of the REF Steering Group, oversee arrangements for completion of the 2014 REF and, subsequently, the development of the arrangements for the post 2014 REF.
- m) Provide a detailed analysis of the performance of the sector in REF 2014.
- n) In partnership with the other UK funding bodies, undertake evaluation and analysis of REF 2014 in preparation for future REF exercise.

1.3 *To maintain a focus on long-term, sustainable investment for innovation and engagement activity through: (i) supporting the transition away from ring-fenced IEF; and (ii) seeking and developing innovative funding solutions, in partnership with the sector and the Welsh Government.*

- o) Until March 2015, fund and monitor progress of collaborative IEF projects that strengthen links with external partners within and external to Wales:
- Enterprise Support Programme
  - Strategic Insight Programme<sup>7</sup>
  - IP-Commercialisation Project (IPCoP)<sup>8</sup>
  - Dragon Innovation Partnership<sup>9</sup>
  - CADARN Skills Centre<sup>10</sup>
  - China – Wales HE Training Consortium
  - Driving Enterprise in the Cardiff City Region
- p) Work with the Wales Industrial Liaison Officers network (WILO) and Universities Wales to support the transition of innovation and engagement collaborative project activity post HEFCW funding.

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<sup>6</sup> [Welsh Crucible](#)

<sup>7</sup> [Strategic Insight Programme](#)

<sup>8</sup> [Wales IP](#)

<sup>9</sup> [Dragon Innovation Partnership](#)

<sup>10</sup> [CADARN Skills Centre](#)

- q) Jointly fund and manage delivery of GO Wales to December 2014. Develop business plan for new GO Wales programme under new European Structural and Investment Fund arrangements, in partnership with the sector.

## 2. HEFCW as a regulator

### 2.1 To monitor institutional approaches to research, innovation and engagement through corporate processes

- a) Use HEFCW's new strategic engagement process<sup>11</sup> to:
- Be informed by institutional approaches to the management of research - including *any planned changes to the overall profile of research activity; provision for researcher development; measures to increase Research Council and other research income; plans for PGR; plans for capital investment; high level arrangements for performance monitoring; and strategic partnerships with world-leading universities.*
  - Provide assurance to Welsh Government on the extent to which HEIs “confirm and reinforce the role of knowledge transfer and commercialisation in their core strategies, to be eligible for future Welsh Government support” (*Innovation Wales*<sup>12</sup> commitment).
  - Be informed by information provided in relation to innovation and engagement.
  - Be informed by institutional approaches to internationalisation, so as to have an evidence base from which to support and promote this activity, particularly in the context of the Welsh Government's interest in enhancing the sector's international reputation.
  - Be informed by institutional approaches to skills, employability and enterprise, with particular reference to employer engagement and workforce development activity.
- b) Monitor Corporate Strategy targets in respect of research, innovation and Engagement: overseas student recruitment (T7); continuing professional development (T12); collaborative research income (T13); Research Council income (T14); Research Excellence Framework (T15).
- c) Higher Education - Business and Community Interaction (HE-BCI) Survey:
- Monitor, evaluate, report and promote the outcome of the HE-BCI Survey on an annual basis;

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<sup>11</sup> [Changes to the strategic engagement process from 2014/15](#)

<sup>12</sup> [Innovation Wales](#)

- In partnership with the WILO network, drive a consistency of approach to the submission of HE-BCI Survey data by the sector in Wales to ensure that the data set is as robust as possible.
- d) Request and be informed by HEI research strategies.
  - e) Assess risk to universities through annual evaluation of research, innovation and engagement activities (including European and international activity) through institutional risk review (IRR) process.
  - f) Undertake annual analysis of Wales' share of UK research council funding to monitor our relative position in the UK.
  - g) Develop a refreshed approach to regional working from 2015/16, to include reference to employer engagement activity.
  - h) Require confirmation within Annual Assurance Statements that our sector complies with the *Concordat for Research Integrity*<sup>13</sup>.
  - i) Ensure that the sector is aware of its responsibilities in terms of compliance with state aid regulation.
  - j) Promote equality of opportunity in relation to research, innovation and engagement activity in our sector (including through use of the strategic engagement process to monitor evidence of engagement with the *Concordat for the Career Development of Researchers*<sup>14</sup>; membership of the *Athena Swan* Charter and attainment of institutional or departmental awards at bronze, silver, gold levels<sup>15</sup>; attainment of the European Commission's *HR Excellence in Research Awards*<sup>16</sup>; use of dedicated resources, stakeholder briefings and case studies available via Vitae's *Every Researcher Counts* project<sup>17</sup>.)

### 3. HEFCW as a facilitator

3.1 *To fulfil the role of responsive expert on higher education in Wales, including the provision of an all-Wales (and, where appropriate, a pan-UK) perspective.*

- a) Provide advice on, and/or respond directly to, formal inquiries related to

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<sup>13</sup> [The Concordat to Support Research Integrity](#)

<sup>14</sup> [Concordat to Support the Career Development of Researchers](#)

<sup>15</sup> [Athena Swan](#)

<sup>16</sup> [HR Excellence in Research Award](#)

<sup>17</sup> [Every Researcher Counts: equality and diversity in researcher careers](#)

research, innovation and engagement agendas undertaken by the National Assembly for Wales.

- b) Ensure a Wales HE sector position is fed into UK Government consultations (for example, most recently the Science and Innovation Strategy; capital consultation).
- c) Represent Wales' position and make the case for capital investment via membership of UK Government's capital working group / Ministerial Advisory Group.
- d) Identify specific opportunities to promote internationally the sector's strengths and reputation in areas of research, innovation and engagement activity (including capture of scholarships and grants).
- e) With a particular focus on research impact (including REF impact case studies), demonstrate and promote the value and return on investment of research in Wales, in partnership with Universities Wales, Welsh Government, RCUK, as appropriate<sup>18</sup>.
- f) Promote examples of excellent employer engagement practice reported on the outcomes of Skills and Employability Action Plans and associated funded projects.
- g) Engage directly with the Department of the Economy, Science and Transport (DEST) and the Innovation Council for Wales to take forward actions within the *Innovation Wales* delivery plan.
- h) Contribute to the development, assessment and advisory process for Welsh Government-led funding programmes (eg successor programme to Academic Expertise for Business (A4B)).
- i) Participate in the Welsh Government's (DEST and the National Institute of Social Care and Health Research, NISCHR) review of effective models of intellectual property (IP)/commercialisation appropriate to Wales, ensuring that the HEFCW IPCoP project outcomes are taken on board.
- j) Support the Welsh Government's current Youth Entrepreneurship Strategy via HEFCW's Enterprise Support Programme (until March 2015) and provide input to the development of future Welsh Government activity.

3.2 *To support and promote research, innovation and engagement activity, and access to external funding by working in partnership with universities and other organisations across Wales, the UK and internationally.*

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<sup>18</sup> [How do Welsh universities advance the world around us?](#)

- k) Maximise the sector's EU grant capture (in particular Horizon 2020 and European Structural and Investment Funds) and influence in support of research, innovation and engagement activity, through:
- Monitoring and jointly steering Welsh Higher Education Brussels (WHEB) in the development and delivery of its new Strategic Plan (to 2018).
  - Providing strategic advice to the UK HE International Unit (IU) to shape EU policy and help the UK HE sector to maximise competitive advantage in Europe, especially in relation to EU programmes in research and innovation.
  - Providing advice to Welsh Government / Welsh European Funding Office (WEFO), primarily through membership of the ESIF 2014-20 Programme Monitoring Committee to ensure the effective delivery of future EU investment in Wales.
  - Supporting the work of the Wales Higher Education European Liaison Officers (WHEELO), WILO and the European Social Fund (ESF) Sector Group in developing a High Level Skills Brand in alignment with GO Wales and specific ESIF delivery boards as appropriate.
  - Providing policy input to relevant UK Government initiatives such as the UK (BIS) European Research Area (ERA) Steering Group.
- l) Monitor and jointly steer the IU on behalf of the sector in Wales in support of the delivery of its Strategic Plan to 2016; support the transition to funding model post 2016.
- m) Where we can add value, provide a coordinating role for, or input to, international delegations and visits (both inward and outward; public and private sector), ensuring the involvement of appropriate expertise.
- n) With partners across the UK, steer and support the following organisations and/or concordats that provide support to the HE sector in terms of research, innovation and engagement activity:
- National Centre for Universities and Business<sup>19</sup>
  - National Coordinating Centre for Public Engagement (NCCPE)<sup>20</sup>.
  - *Concordat for Engaging with Public with Research*<sup>21</sup>, including in 2014 the *Survey of factors affecting public engagement by researchers*.
  - Vitae<sup>22</sup>, including the *Concordat for the Development of Research Careers*.

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<sup>19</sup> [The National Centre for Universities and Business](#)

<sup>20</sup> [National Co-ordinating Centre for Public Engagement](#)

<sup>21</sup> [Concordat for Engaging the Public with Research](#)

- o) With partners across the UK, promote open access publication in research, including through arrangements for the post 2014 REF.
- p) Support all of the HE sector networks that promote research, innovation and engagement activity in our universities: WILO; WHEELLO; Wales Research Office Liaison Officers (WROLO); Wales Research Office Finance Officers (WROFO); Welsh Higher Education Careers Services (WHECS).

3.3 *To develop an evidence base to secure the future funding of research, innovation and engagement activity*

- q) Undertake annual analysis of Wales' share of QR funding to monitor our relative position in the UK, set against our analysis of the sector's performance in REF 2014 and other measures of the efficiency and productivity of the research base in Wales.
- r) Provide appropriate input to the Review of Higher Education Funding and Student Finance Arrangements in Wales<sup>23</sup> to enable us to support and promote the research, innovation and engagement activity of universities, by:
  - Ensuring that our evidence is informed by our knowledge of availability of funding streams for research, innovation and engagement activity in England, Scotland and Northern Ireland;
  - Ensuring that our evidence is informed by sector input and identifies not only the sector-wide strengths, but also the particular challenges in the delivery of innovation and engagement activity, in the context of the withdrawal of direct Innovation and Engagement Fund support;
  - In partnership with Universities Wales, exploring the potential to commission a contextual evaluation of innovation and engagement activity (including, potentially, additional analysis of HE-BCI Survey outcomes) across Wales;
  - In partnership with Welsh Government, exploring the potential to draw from external comparator regions (eg the Basque region).

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<sup>22</sup> [Vitae](#)

<sup>23</sup> [Review of Higher Education Funding and Student Finance Arrangements in Wales](#)