

September 2010/28

Core funding/operations

Request for data

Returns should be uploaded to the
HEFCE extranet by noon on Tuesday
14 December 2010

This document asks higher education institutions to update information on their research activity. The updated data will inform our distribution of research funds for the 2011-12 academic year.

Research Activity Survey 2010

Alternative formats

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Research Activity Survey 2010

To	Heads of HEFCE-funded higher education institutions Heads of higher education institutions in Northern Ireland receiving recurrent funds for research
Of interest to those responsible for	Research funding, Finance, Data collection
Reference	2010/28
Publication date	September 2010
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Executive summary

Purpose

1. This document asks higher education institutions (HEIs) to update information on their research activity.

Key points

2. The Research Activity Survey (RAS) collects data annually on postgraduate student numbers and research income from charities to inform our allocations of two elements of quality-related research (QR) funding: the research degree programme supervision fund (RDP) and the charities support fund. The data collected in the 2010 survey will inform the distribution of these two elements of funding for the 2011-12 academic year.

3. In order to reduce the number of bespoke data returns we require from institutions, we are taking steps towards using data on postgraduate research student numbers and research income from charities from the Higher Education Statistics Agency (HESA) records to inform the RDP supervision fund and the charity support fund in the future.

4. Subject to further work, we intend to switch to using HESA data to inform these elements of QR funding for the 2012-13 allocations onwards. This will mean that the RDP supervision fund for 2012-13 would be informed by eligible postgraduate research student numbers extracted from the 2010-11 HESA student record, and that the charity support fund for 2012-13 would be informed by the eligible research income from charities extracted from the 2009-10 HESA finance statistics return (FSR). This would also mean that the RAS would not be published for 2011 onwards, although this remains conditional on our confidence that the HESA data are sufficiently robust to inform funding.

5. The '2009-10 statistics derived from HESA data: web facility' will include a new table showing an indicative allocation of RDP supervision funding based on postgraduate research student numbers extracted from the 2009-10 HESA student data that your institution will be submitting to HESA. We hope this will enable institutions to determine whether their systems and processes for returning postgraduate research student data to HESA are fit for purpose and, if not, correct any areas of weakness before the data are used to inform funding. During that exercise, institutions may also wish to comment on the suitability of our algorithms for extracting research student numbers to meet the funding eligibility criteria.

6. We have asked HESA to modify the FSR so that we can extract data on research income from charities that fit our eligibility criteria for funding as closely as possible. We have also made two changes to the RAS definitions of eligible income in order to align our criteria with general HESA guidance. These are described in paragraphs 11 and 12.

7. All HEIs that made submissions to the 2008 Research Assessment Exercise (RAE2008) should complete the 2010 RAS. Where an institution wishes to make a nil return it should inform us by letter or e-mail.

8. The data reported to this survey must be provided according to the RAE2008 definitions of units of assessment.

9. This document provides:

- a. Guidance notes for completing the 2010 Research Activity Survey.
- b. Definitions used in the 2010 RAS survey (Annexes A and B).
- c. Examples of the survey tables (Annex C).
- d. Details of how to obtain workbook templates and upload data (Annex D).

10. We will make workbooks available to nominated data contacts at institutions in November 2010.

Summary of changes since the 2009 RAS

11. Previously, in any one year, only the first £500,000 of the annual release from the deferred capital grant account of each capital grant was eligible to be returned to the RAS. For the 2010 RAS, we are removing this cap.

12. Previously, any portion of a research studentship grant that was marked as being for consumables or bench fees was ineligible to be returned to the RAS. For the 2010 RAS, such income will be eligible. Any portion of a research studentship grant that is to be retained by the student for maintenance or living costs will continue to be ineligible.

13. Some postgraduate research students are registered on research degrees where the final qualification will be jointly awarded by more than one institution. If all partner institutions are HEFCE-funded institutions then the guidance in Annex A paragraph 14 continues to apply. However, if one or more of the partner institutions are not HEFCE-funded institutions, then the reporting institution should modify the student's FTE appropriately to capture only the portion of the student's activity that is conducted in the English institution.

Action required

14. Survey data must be uploaded to the HEFCE extranet by **noon on Tuesday 14 December 2010**.

15. Survey data must be signed off as correct by the vice-chancellor or principal of the institution by **Thursday 13 January 2011**.

Background

16. The 2010 Research Activity Survey (RAS) asks higher education institutions (HEIs) to update data from the 2009 survey on fundable postgraduate research students who are eligible to pay Home and EU fees. These data will inform the distribution of the research degree programme supervision funding for 2011-12.

17. The survey also asks institutions to provide information on research income from charities. This will inform our charity support element of quality-related research (QR) funds for 2011-12.

18. Data on research-active staff, used to inform mainstream QR funding, will continue to be taken from the submissions to the 2008 Research Assessment Exercise (RAE2008).

Contents of survey

19. This survey should be completed by HEIs that made submissions to RAE2008. It asks for the following data by unit of assessment (UOA):

- a. Students eligible to pay Home and EU fees (see Annex A, paragraph 27). We ask for the data to be returned by year of course in the following way:
 - i. The headcount of students on research-based higher degrees who are full-time in the year of course that includes 1 December 2010.
 - ii. The headcount and full-time equivalent (FTE) of students on research-based higher degrees who are part-time in the year of course that includes 1 December 2010.
- b. Income from research grants and contracts from charities during the 2009-10 financial year.

20. This survey allows institutions to make separate returns for each multiple submission made to a UOA in RAE2008. If making separate returns for multiple submissions is not practical, areas on the return can be made available to submit totals for the UOA. The institution should contact us to obtain the password to unlock these rows for editing.

21. If a department was not submitted to RAE2008, please return its data to the UOA that is closest in academic content. This provides us with totals that we will use, irrespective of RAE2008 quality profile or submission status, to cross-check institutions' data against other sources such as the Higher Education Students Early Statistics (HESES) survey and the Higher Education Statistics Agency (HESA) finance and student records. For funding purposes, only data attributed to UOAs submitted to RAE2008 will be used.

22. When deciding which specific UOA research students and charities income should be returned to, institutions are advised to first identify the lead researcher (principal investigator) to whom they are linked. If that lead researcher was returned to RAE2008, then their research students and research income from charities should be returned to that same UOA. If, however, the lead researcher was not returned to RAE2008, their research students and charities income should be returned to the UOA that is closest in academic content.

Outline timetable and process for the 2011-12 funding round

23. We will use a list of RAS contacts to notify institutions by e-mail of any changes or updates to the survey, and if institutions wish to check or change these contact details they should speak to their HEFCE higher education policy adviser. Contact details, searchable by institution, can be found on the HEFCE web-site, www.hefce.ac.uk, under About us/Contact us.

24. In November 2010, an Excel workbook with spreadsheet versions of the tables in Annex C will be available for institutions to download from the HEFCE extranet. The following annexes should be used as a guide for completing the return:

- Annex A Notes on research students
- Annex B Notes on research income from charities
- Annex C Samples of forms for completion
- Annex D Instructions for completing the workbook.

25. Institutions are required to submit their RAS data no later than **noon on Tuesday 14 December 2010**. Confirmation that we have received submissions will be available via the upload page of the HEFCE extranet. There are validation checks within the workbook to ensure part-time students are returned correctly but, when we receive the data, we carry out a number of other validation and credibility checks. The data do not need to be formally signed off by the vice-chancellor or principal at this stage. However, it is good practice for a senior member of the institution to agree the return prior to submission.

26. During the latter half of December 2010, we will write to institutions enclosing a copy of their RAS data. Institutions will be asked to:

- verify that the data are accurate, or make corrections
- answer any questions we may have on the data.

The timetable for this verification process is tight: if corrections to data are made we then reissue the data for re-verification by institutions. We will expect responses to our questions about data within five working days, together with notification of any amendments.

27. By **Thursday 13 January 2011**, all institutions must have signed off their 2010 RAS data as being correct. The data should be signed off by the vice-chancellor or principal of the institution, and they should assess the return for accuracy and completeness before signing it off. If an institution fails to meet the deadline for signing off data, or we believe the data to be inaccurate, we reserve the right to use our own estimates of data to inform funding allocations (see paragraph 18 of 'Model Financial Memorandum between HEFCE and institutions: Terms and conditions for payment of HEFCE grants to higher education institutions', HEFCE 2010/19). We cannot guarantee to provide additional funding arising from amendments received after 13 January 2011.

28. For institutions in England, there are two grant announcements in the year: in March and July. To be reflected in the March grant announcement, we need to receive all RAS data amendments by

13 January 2011. To be reflected in the July grant announcement, we need to receive any further RAS data amendments by 20 April 2011. However, because our total budget is limited, we cannot guarantee to provide additional funding arising from amendments received after 13 January 2011. All changes to grant after the initial March announcement are subject to approval by our Board; we will not confirm the effects on funding of data changes until that approval has been given. After the March grant announcement, the Board will next consider changes to grant in July so that they can be included in the July funding announcement.

29. We will compare data returned on the 2010 RAS and data returned on the 2010 HESSES survey. In January 2012, we will compare 2010 RAS data with the 2010-11 HESA student record. Where we find – through audit, comparison with HESA data, or otherwise – that an institution has received larger allocations than it should have done, we will reduce our allocation of the grant for 2011-12 accordingly.

Returns

30. Returns must be submitted electronically to the HEFCE extranet no later than **noon on Tuesday 14 December 2010**. Annex D contains further details, and a full explanation will be sent out to nominated data contacts with passwords and other relevant documentation in November 2010.

31. Further education colleges should not respond to this survey.

Audit

32. We will continue our regular programme of audits of data used for funding purposes. Institutions should therefore keep an adequate audit trail recording how the data were derived, and should be able to rebuild the return for audit purposes. Where appropriate, our auditors will also seek to rely on any relevant internal audit work that has been carried out.

33. Our audits of data are likely to investigate areas of concern emerging from past audit findings and a review of the systems and protocols used in deriving the data returned to the survey by HEIs.

The following aspects of the return are likely to be covered:

- evidence of registration and continuing activity of students
- documentation supporting year of course for student activity
- evidence for the FTE of part-time students
- evidence for the correct reporting of students whose qualification is to be jointly awarded by more than one institution
- reconciliation of RAS and HESES student numbers
- evidence that research income from charities returned to the RAS is eligible for return.

34. We recommend that institutions reconcile the 2010 RAS return and the 2010 HESES return before submitting these returns. In doing so, the institution can reassure itself that there are legitimate reasons for any differences identified, and any working papers retained may greatly assist any subsequent audit.

35. We will compare charity income reported to 2010 RAS with Table 5b: Research grants and contracts – breakdown of income by cost centre of the HESA FSR, and with HE-BCI Survey collection 2009-10 using the columns 2, 7 and 10: UK-based charities (Open competitive process); EU-based charities (Open competitive process); and Non-EU-based charities (Open competitive process).

36. An institution is more likely to be audited if its return is late, incomplete or there are large, unexplained differences from previous years' data.

37. Previous audit findings will be described in the relevant sections of this document and institutions should be mindful of these when compiling the return.

38. The knowledge required to prepare the RAS return is often undocumented and sometimes lies with only one person. This creates a risk that, in the absence of the person concerned, particularly at crucial times of the year, the institution may not be able to prepare the return on time or to the appropriate standard. A good audit trail helps to

reduce this risk, but we also consider it good practice for all institutions to manage this risk effectively, by ensuring that at least two people can both produce the information for the return and prepare the return itself.

39. In addition, institutions should consider ensuring that the relevant processes are adequately documented and that this documentation is kept up to date. This requires all relevant staff, including experienced staff, to consider the RAS each year and to make the necessary changes to their systems.

Annex A

Notes on research students

1. All students included in this survey should be Home and EU postgraduate students registered at the reporting institution for a research-based higher degree. The students should be actively supervised by an academic member of staff employed by a higher education institution in England. Students who spend more than half of their active study time for the whole programme outside the UK should be excluded from this survey, except where:

- a. There is a clear academic reason for studying abroad rather than in the UK, for example, where the student's research is tied to a specific archaeological site.
- b. The student is temporarily and unavoidably abroad and remains liable to UK tax on their earnings, or is a dependant of such a person. This includes members of HM Forces and their dependants.

Audit tip: Evidence of student engagement

Past audits have shown that institutions have an annual internal process for monitoring whether or not students are actively engaged on the course for which they have registered. The resulting forms are good audit evidence of student activity. Many instances were encountered where such forms were not available for all students selected in the sample. We recommend that institutions retain such forms until the audit stage is completed.

2. Data from forms R1a and R1b will be used to distribute the research degree programme supervision fund.

3. The data returned on form R1a should be headcounts of students who are full-time in the year of course that includes 1 December 2010. Data returned on form R1b should be headcounts and full-time equivalences (FTEs) of students who are part-time in the year of course that includes 1 December 2010. FTE should normally be expressed to two decimal places, and headcount should

normally be whole numbers unless a student has been split between units of assessment (UOAs).

4. The FTE for a part-time programme is calculated by comparison with an equivalent full-time programme, where such a programme exists. When viewed as a whole, the total FTE for a part-time programme should equal the total FTE of the equivalent full-time programme. If an equivalent full-time programme does not exist, a reasonable academic judgement should be made of the load relative to a full-time student. Where such a judgement is made, the methodology should be recorded for audit purposes.

5. In some cases a student may not study for a full year in their final year of programme of study (for example, the second year of the course of a 15-month MPhil programme). Here the student should be recorded as part-time in their final year, with an FTE reflecting the proportion of a full year for which they have studied. This should be recorded even if the student is not actively pursuing studies on 1 December in their final year.

Audit tip: Part-time loads

Past audits have shown that institutions assign all part-time students a standard load depending on the qualification aim of the student: in the main this was 0.5. Institutions had not carried out any analysis to ascertain whether students were active at this rate. In some instances, evidence suggested that students were more active than that, and in others that they were less so. We recommend that institutions analyse their data to reassure themselves that the part-time loads are typical of the intensity of part-time activity at their institution.

6. The year of course is used in the distribution of funds for research, and care needs to be taken when there is a change in a student's mode of study. Full-time students with a part-time final year (see paragraph 5 of this annex) should have this final year returned under the appropriate year of course in the part-time table. In assigning year of course, paragraph 7 of this annex and the examples below

(paragraphs 9 and 10 of this annex) can be used to convert the student's completed full-time years into part-time years.

7. There may be cases where research students change their mode of study from full-time to part-time and vice versa. For simplicity, in such cases, each year of full-time study should be treated as two years of part-time study in this survey. For example, a student who has completed three years of full-time study and is then taken on as a part-time student until the programme of study is completed, should be shown as a seventh-year part-time student during their first year of part-time study, as an eighth-year student for the second year of part-time study, and so on.

8. Where a student suspends their study for a period of time this needs to be taken into account when the student is reported within the Research Activity Survey (RAS). As with students progressing according to a normal timescale, the year of course for students who have suspended needs to be incremented on or near the anniversary of their initial registration. However, in calculating the student's FTE, only the portion of the year of course for which they have been studying should be reflected. This may affect the mode of study. For example, a student who initially registered as full-time, completed a full year and then suspended for nine months in their second year, should be reported as part-time in their second year of course if they no longer met the criteria for full-time study. To avoid undue complexity, the rule in paragraph 7 of this annex regarding the re-computation of the year of study for students who change their mode of study will be relaxed for students who have suspended their studies. This may result in a minimal amount of overfunding or underfunding, but these cases will be rare. More detailed examples are given in paragraphs 11 and 12 of this annex.

Example of reporting students on non-standard academic years

9. A student started a full-time, 15-month MPhil on 1 September 2009. This student would have been returned to the 2009 RAS as one headcount full-time student on 1 December 2009. The student should be returned to the 2010 RAS (even though they will not be studying on 1 December 2010) as one headcount

part-time student with 0.25 FTE under year of course three, their first year of full-time study having been converted into two years of part-time study.

Example of reporting students who have changed their mode of study

10. A student started a part-time PhD in September 2008, and completed two years with an FTE of 0.5. This student would have been returned to the 2008 RAS and the 2009 RAS as a part-time student on 1 December 2008 and 1 December 2009 respectively. If they then decide to continue the degree as a full-time student, the two part-time years of study would be converted to one full-time year. The student should therefore be returned to the 2010 RAS as one headcount full-time student under year two of the course.

Examples of reporting students who have suspended their study

11. A student started a full-time PhD on 1 September 2007. They had a period of suspension of six months starting on 1 March 2008. Assuming this student will complete on 28 February 2011, they should be returned as:

- 2007 RAS: 1.0 FTE full-time in year of course 1
- 2008 RAS: 1.0 FTE full-time in year of course 2
- 2009 RAS: 1.0 FTE full-time in year of course 3
- 2010 RAS: 0.5 FTE part-time in year of course 4.

12. However, if a student suspended their study before the RAS coverage date of 1 December, then a different pattern of activity would be recorded. So, for example, a student started a full-time PhD on 1 September 2007. They had a period of suspension of six months starting on 1 September 2008. Assuming this student will complete on 28 February 2011, they should be returned as:

- 2007 RAS: 1.0 FTE full-time in year of course 1
- 2008 RAS: not returned
- 2009 RAS: 1.0 FTE full-time in year of course 3
- 2010 RAS: 0.5 FTE part-time in year of course 4.

Definitions

Registration

13. For this survey, registration is defined as a binding undertaking by a student to pay a fee for tuition, or supervision of research, for a programme of study. If all or part of the fee has been waived, the student will be regarded as registered. A student is assumed to register with the reporting institution annually on the anniversary of the initial registration. The simple acceptance of a place does not qualify a student to be counted in this survey.

Audit tip: Annual registration of students

A condition of funding is that each year institutions obtain a binding undertaking from each student to pay a fee for tuition, or supervision of research, for a course. Evidence of this must be retained and be open to inspection at the time of an audit. A lack of such evidence makes the student ineligible to be included in the return.

14. Where a student has been registered at one institution and taught under a franchising arrangement at another institution, only the registering institution should return the student to this survey. A student can only be registered at one institution for any individual qualification. If more than one institution receives a fee from a student, the institution that receives the largest portion should include the student. If the institutions receive the same amount, they must ensure that only one includes the student. In some cases the institution in which the student is based collects the fee on behalf of another institution. Where this is the case, if the fee is transferred to another institution, the institution to which the fee is transferred should include the student. If the fee itself is not transferred but is used to offset payments between two institutions in respect of the student, this should be treated as if the fee had been transferred.

15. Some postgraduate research students are registered on research degrees where the final qualification will be jointly awarded by more than one institution. If all partner institutions are HEFCE-funded institutions then the guidance in paragraph 14 of this annex continues to apply. However, if one or more of the partner institutions are not HEFCE-funded institutions, then the reporting institution should modify the student's FTE appropriately to capture only the portion of the student's activity that is conducted in the English institution.

Year of course

16. A student's first year of course starts when they first begin studying towards the qualification. Subsequent years of course start on or near the anniversary of this date.

17. Where a student registers for one research-based higher degree which is an integral part of a second, for example, an MPhil progressing to a PhD, then this should be treated as a single instance, and the year of course should be incremented accordingly. However, separate research masters courses followed by a PhD should be treated as such in the return, that is, as a one-year research degree followed by a PhD, with the year of course reset accordingly.

Audit tip: Year of course

Accurate records showing students' current year of course must be maintained. Institutions should take particular care where a student has suspended studies at some stage during the course, or where they have transferred from full-time to part-time or vice versa.

Audit tip: Communications between research offices and schools/ departments

Where separate research offices are responsible for maintaining the research student data, it is essential that good communication processes are set up between the research office and relevant academic departments, to give a timely flow of data and ensure the student record system is up to date. This is of particular importance around the census date, but is also important throughout the year to get an accurate picture of students suspending their studies or deciding to withdraw from the course.

Full-time equivalence

18. For the purpose of this survey, a student's FTE refers to the amount of study undertaken in the year of course compared to a full-time student with the same qualification aim studying for a full year. A student is said to be full-time if they are normally required to attend the institution, or elsewhere, for periods amounting to at least 24 weeks within the year of course; and during that time are normally expected to undertake periods of study that amount to an average of at least 21 hours per week.

Research-based higher degrees

19. A research-based higher degree is a postgraduate programme comprising a research component (including a requirement to produce original work) that is larger than any accompanying taught component when measured by student effort. The arrangements for assuring and maintaining the academic standards, and enhancing the quality, of these programmes should be fully compliant with section one of the Quality Assurance Agency for Higher Education's code of practice for the assurance of academic quality and standards in higher education (postgraduate research programmes).

20. Students who have completed their research work and are writing up their thesis (or equivalent) should be excluded. Students are considered to be writing-up where they have completed their research work and will not undertake any significant additional research. Such students often still receive

a small amount of supervision and they may have access to other facilities at the institution, but they should still be treated as writing-up. Students registered for research qualifications awarded primarily on the basis of published works should also be excluded, unless they are undertaking a significant amount of research at the institution.

21. Some specialist doctoral degrees, such as Doctor of Education (EdD) and Doctor of Clinical Psychology (DClinPsychol), may include a research component but also include significant taught components and supervised practice. These degrees do not generally require the student to produce the same amount of original research as a PhD. Students registered for a specialist doctoral degree should only be included in this survey if they satisfy our other criteria in our definition of a research-based higher degree (see paragraph 19 of this annex).

Four-year research doctorates

22. Following our consultation reviewing the research funding method ('Review of research funding method: consultation', HEFCE 2003/38), we pay a standard, cost-weighted tariff for a PhD programme up to three years (or six years for part-time students), irrespective of how long a student takes to complete the course.

Returning students to the survey

23. Students employed by outside research organisations, and based outside the department for most of their study, may be included if they are actively supervised by an academic member of staff employed by a higher education institution in England (see paragraph 1 of this annex).

24. Academic staff who are also registered for a research-based higher degree at the same institution may be returned to this survey as research students.

25. Research students should normally be returned to the UOA in which their supervisor is returned. Students who are supervised across more than one UOA should be returned split either according to the agreed division of supervision or in proportion to the number of supervisors. Figures can be returned to two decimal places.

26. Students should be returned to this survey according to their year of course. The year of course is defined in the data specification of the Higher Education Statistics Agency Student Record 2010-11 and indicates the year number of the course that the student is currently studying. The year of course needs to be modified when students change their mode of study (see paragraphs 6-10 of this annex).

27. Students are classified as Home and EU if they can be regarded as eligible students as defined in Schedule 1 of the Education (Fees and Awards) (England) Regulations 2007 (SI 2007 No. 779), as amended. The Education (Fees and Awards) Regulations can be found on the UK Statute Law Database web-site, www.statutelaw.gov.uk.

28. The following students should be excluded from forms R1a and R1b:

- a. Students spending most of their programme of study outside the UK, except where there is a clear academic reason for studying abroad rather than in the UK – for example, the student's research is tied to a specific archaeological site or the student is temporarily and unavoidably abroad and remains liable to UK tax on their earnings, or is a dependant of such a person; this includes members of HM Forces and their dependants.
- b. Students franchised to an institution that is not a higher education institution supported from public funds. Where institutions have franchise agreements with any other organisation and wish these students to be included in this survey, they should contact us for approval.

Annex B

Notes on research income from charities

1. HEFCE introduced a support element for research income from charities within the block grant for research in 2006-07. We are asking institutions to provide information about research income from charitable foundations and trusts in the 2009-10 financial year (1 August 2009 to 31 July 2010). These data will inform the charity support element of quality-related research (QR) funding for 2011-12.

Eligibility and income criteria

2. Two high-level eligibility criteria apply to the income used to inform the QR charity support element of funding:

- a. Research income that is awarded through open competition, excellence and priority using a method of external peer review.
- b. Research income that is awarded by a charity registered in the UK or an overseas body with exclusively charitable purposes.

3. In addition, eligible research income to be included in this survey should satisfy the following conditions:

- a. Income for research carried out by the institution (including subsidiary undertakings and joint venture entities in the UK) and for which directly related expenditure has been incurred.
- b. Income for research that conforms to the conventions of the Frascati¹ definition of research, which can be summarised as ‘original investigation undertaken in order to gain knowledge and understanding’. It excludes routine testing and routine analysis of materials, components and processes such as for the maintenance of national standards, as distinct from the development of new analytical techniques. It also excludes training and the development of teaching materials that do not embody original research.
- c. Where a charitable grant or contract is made for a number of different purposes including research (for example research, training and

clinical work) only that portion of the grant or contract against which research has been conducted should be returned.

- d. Where a project is undertaken by several institutions or organisations and one institution acts as the ‘lead institution’, only income received and spent by the institution making the return, and relating to the work actually being undertaken by it, should be returned. The lead institution should not therefore include any portion of income in a particular year passed on to other institutions or organisations. Other institutions that receive a portion of a grant or contract as described in this paragraph should return the income against its original source.
 - e. Where an institution acts as a contractor that sub-contracts research to another institution or organisation, only income received and spent by the institution making the return, and relating to the work actually being undertaken by it, should be returned.
 - f. Income should include any recovery of indirect costs, whether retained by the institution, a department, or at the disposal of an individual within a department.
 - g. Grants for research fellowships and research studentships should be regarded as research income.
 - h. Capital grants for research should be regarded as research income.
 - i. Income that originates from non-public sources.
4. Only income satisfying all of the criteria set out in paragraphs 2 and 3 of this annex, at the level of each individual grant or contract, including grants awarded before the 2009-10 financial year, should be returned in the 2010 Research Activity Survey (RAS). Higher education institutions (HEIs) must be able to demonstrate that they have done all that they reasonably can to satisfy themselves about the eligibility of the income returned. Further clarification is given below.

¹ Second chapter of the Organisation for Economic Co-operation and Development 2002 Frascati manual, ISBN 9264199039.

5. The institution's statement of research income should be prepared in accordance with the principles of the Statement of Recommended Practice: Accounting for Further and Higher Education except for the treatment of research income for collaborative or sub-contracted research that is passed on to other institutions or organisations.

6. For research studentships that are part of a research project grant, and for general research studentships (that is, those not part of a research project grant), the portion of the bursary that relates to tuition fees charged by the university, consumables or bench fees should be included as research income in this survey. Any portion of a studentship that is to be retained by the student for maintenance or living costs should be excluded.

Charity funding derived from government sources

7. The charity support element is not intended to support research that is already funded from public sources. Where a charity exists to allocate government funds, or where in fact a charity allocates funds that come wholly or mainly from government sources, this income is not eligible.

8. So, income awarded by the Royal Society and British Academy from grants made to them by the UK government to be disbursed on its behalf should be excluded from this survey. Income awarded by these bodies and funded from non-government sources should be returned where the HEI has received confirmation from the awarding body that the grant or contract was not government-funded. Institutions in any doubt as to the status of such income should speak to HEFCE at the earliest opportunity (contact Davina Madden, tel 0117 931 7266, e-mail d.madden@hefce.ac.uk).

9. Income awarded through initiatives funded jointly by HEFCE and charities, such as the Joint Infrastructure Fund, is not eligible. HEFCE decides its level of contribution to these initiatives at the time of their establishment, taking sustainability into account.

Open competition and external peer review

10. For income to be treated as awarded through open competition and peer review we require evidence that a particular income stream or grant was available to more than one institution through direct competition within a process where no credible candidate was excluded, and awarded to the institution that demonstrated the highest-quality research proposal according to external peer review. However, we will also accept as complying with open competition and external peer review, circumstances where it can be shown that the charity took external expert advice on its choice of institution to receive a grant, and either:

- a. The charity had made it known that it was open to grant applications from other HEIs and these would present a competing call on the funds, even though the charity did not issue an open invitation to bid for the particular grant in question.
- b. The charity restricted the funding opportunity on a reasoned basis that there were particular requirements of the project that could only be met by a limited number of HEIs².

11. Any long-term grant or funded programme will not be eligible unless it is subject to periodic review involving external expert advice and if it competes with other demands on the charity's funds, at intervals of no more than five years³.

12. We have identified a number of charities, listed below, that provide very substantial amounts of research funding across a number of HEIs and whose grants have been found in all audited cases to have met the eligibility criteria at paragraphs 2a and 2b of this annex:

- Arthritis Research Campaign
- British Heart Foundation
- Cancer Research UK
- Diabetes UK

² This could arise, for example, where a project required highly specialist expertise or facilities, or a specific regional focus.

³ Where the initial award of the grant was for a period of longer than five years, the income may be eligible for up to a maximum of seven years after the initial award without periodic review; thereafter it will not continue to be eligible unless subject to periodic reviews at intervals of no more than five years.

- Leukaemia Research Fund
- The Health Foundation
- The Leverhulme Trust
- The Wellcome Trust.

13. We will seek assurances directly from these charities that their grants in general continue to meet the criteria for open competition and external peer review, and that they will make known any potential exceptions to this. In order to improve the efficiency of administering the charity element of QR funding and the associated data audits, we will

generally regard income from these charities to meet the criteria for open competition and external peer review. Institutions will remain responsible for ensuring that all returned income is eligible; however in auditing RAS data we will not enquire about grants from these charities, unless a grant is identified by the charity as a potential exception.

14. This is not intended to be an exhaustive list of charities whose grants generally meet the criteria of open competition and external peer review. We would normally expect that members of the Association of Medical Research Charities would meet these criteria.

Charitable purposes listed by the Charities Act 2006

'(1) For the purposes of the law of England and Wales, a charitable purpose is a purpose which falls within any of the following descriptions:

- (a) the prevention or relief of poverty;
- (b) the advancement of education;
- (c) the advancement of religion;
- (d) the advancement of health or the saving of lives;
- (e) the advancement of citizenship or community development;
- (f) the advancement of the arts, culture, heritage or science;
- (g) the advancement of amateur sport;
- (h) the advancement of human rights, conflict resolution or reconciliation or the promotion of religious or racial harmony or equality and diversity;
- (i) the advancement of environmental protection or improvement;
- (j) the relief of those in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage;
- (k) the advancement of animal welfare;
- (l) the promotion of the efficiency of the armed forces of the Crown, or of the efficiency of the police, fire and rescue services or ambulance services;
- (m) any other purposes that may reasonably be regarded as analogous to, or within the spirit of, the purposes listed above.

In all cases it is essential that the purposes are also for the public benefit as set out in the Public Benefit Guidance published by the Charity Commission for England and Wales.'

Charitable purposes

15. Only research income that is awarded by a charity registered in the UK⁴ or an overseas body with exclusively charitable purposes, consistent with the definition set out in the Charities Act 2006 and which exists for the public benefit in a manner which is consistent with the Public Benefit Guidance published by the Charity Commission for England and Wales, is eligible. There is a separate column(s) in the 2010 RAS for institutions to report income from overseas bodies.

16. Research income from UK and overseas governments, the NHS, Research Councils, and industrial sources should be excluded.

17. HEIs in the UK have charitable status but they should not be regarded as charities for the purposes of this survey. Likewise, overseas HEIs should also not be regarded as charities for the purposes of this survey.

18. In practice we recognise that determining whether or not each and every grant from an overseas body satisfies this test may be unduly burdensome. We therefore recommend that institutions begin by identifying whether the awarding body has charitable status in its home jurisdiction. In most cases this will serve as an adequate proxy for the criteria described above. However, institutions should pay close attention to any bodies that seem to be in danger of not satisfying the test of eligibility in England and Wales, either because their objectives appear to be on the margins of the definition described above (for example, groups campaigning for political change) or because they are based in a jurisdiction where the definition of charity may be significantly different to that which prevails in England.

19. For universities in Northern Ireland, the elements of grants awarded from the Support Programme for University Research that are provided from Atlantic Philanthropies should not be returned under any of the charity columns for grants awarded through an open competitive process.

20. Institutions in any doubt as to the status of awarding bodies based overseas should speak to

HEFCE at the earliest opportunity (contact Davina Madden, tel 0117 931 7266, e-mail d.madden@hefce.ac.uk).

Audit tip

We undertook a desk-based audit of 14 institutions showing large differences between the research income from charities returned to the 2009 RAS compared to what they returned to the 2008-09 Higher Education Statistics Agency (HESA) Finance Statistics Return (FSR) Table 5b. Issues that we encountered included:

- research income from capital grants being incorrectly omitted from the HESA FSR Table 5b
- research income being incorrectly returned in HESA FSR Table 5b in one of the 'open competitive process' charities sources columns (columns 2, 7 or 10), when in fact the income was either not from a charity or was not awarded through an open, competitive process.

Capital grants

21. There is a separate column(s) in the 2010 RAS for institutions to report capital grants.

22. Existing capital grants must meet the criteria set out in paragraphs 2 and 3 of this annex if they are to continue to be eligible.

23. Grants from eligible charities for the refurbishment of research facilities should be treated as capital grants, and included in this survey. If the grant has been capitalised it is the amount released from the deferred capital grant account that should be returned. However, if the refurbishment grant has not been capitalised the income should be returned in full if it was receivable in 2009-10.

Other factors

24. Where a grant or contract is held across more than one unit of assessment, its value should be divided in proportion to the number of grant or contract holders.

⁴ These are charities registered with the Charity Commission for England and Wales, Scottish charities registered with the Office of the Scottish Charity Regulator and charities in Northern Ireland recognised as having charitable status by HM Revenue and Customs or registered with the Charity Commission for Northern Ireland.

Annex C

Samples of forms for completion

This annex can be downloaded from the HEFCE web-site as an Excel file alongside this report.

Annex D

Instructions for completing the workbook

1. Workbooks with spreadsheet versions of the tables in Annex C will be available for institutions to download in November 2010. In November, vice-chancellors/principals and Research Activity Survey (RAS) contacts will be issued with an institution key (unique to each institution) and a RAS group key (unique to the 2010 RAS survey) to access the workbook through the HEFCE extranet, <http://extranet.hedata.ac.uk>. Institutions should electronically submit the completed workbook to the same web-site.
2. On viewing the welcome screen, you will be asked to log in or register for access to the site. The first time that you visit the HEFCE extranet, you must register. This involves typing in your e-mail address, your institution key, your RAS group key and setting a password (at least eight characters long and a mixture of letters and numbers). Whenever you visit the site after registration (including to access other surveys), you will only need to enter your e mail address and password. In case of difficulty, please contact extranet@hefce.ac.uk.
3. Once you have logged in you can then download the blank RAS template, and save it on your system (the template cannot be completed online).
4. The workbook will be saved in Excel 2003 format and called RAS10____.xls, where the suffix identifies your institution. Please do not attempt to rename or reformat the file because our computer systems for loading institutions' returns depend on the file-naming convention and file formats. The workbook will contain three worksheets. These are as follows:
 - R1A____ Home and EU fee-paying full-time postgraduate research students by year of course
 - R1B____ Home and EU fee-paying part-time postgraduate research students by year of course
 - R2____ Research income from charities in 2009-10.
5. All labels and table formats will be protected. Institutions must not attempt to alter the format of the tables by adding or deleting columns or rows. Only cells where data are required should be altered, and all worksheets returned should have the same name and format as those originally supplied.
6. Worksheet R1b contains validation checks to ensure headcounts and full-time equivalents (FTEs) are returned correctly. Institutions should ensure their data pass all validation checks before uploading them.
7. Below is an example of how the worksheets are laid out in the workbook. Each table is on a separate worksheet, which is accessed by clicking on the tab at the bottom of the screen. The name of the worksheet is displayed on the tab.
8. When the worksheets have been completed, the file should be saved on your system. All worksheets in the workbook should be returned even if they contain no data.
9. Completed returns must be submitted to the HEFCE extranet no later than noon on **Tuesday 14 December 2010**. When the return has been successfully uploaded, a confirmation message will be displayed.
10. Survey data must be signed off as correct by the vice-chancellor or principal of the institution by **Thursday 13 January 2011**.

Microsoft Excel - RAS10 Circular Annex C - samples of forms.XLS

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1 **HEFCE Research Activity Survey 2010**

2 **Form R1a: Home and EU fee-paying full-time postgraduate research students by year of course**

3 Please insert figures to two decimal places.

4

5

6 Institution:

7 Code:

8 UKPRN:

9

				Headcount of full-time postgraduate research students			
UOA	Multiple submission	Unit of assessment		Year 1	Year 2	Year 3	Year 4+
01	Z	Cardiovascular Medicine					
02	Z	Cancer Studies					
03	Z	Infection and Immunology					
04	Z	Other Hospital Based Clinical Subjects					
05	Z	Other Laboratory Based Clinical Subjects					
06	Z	Epidemiology and Public Health					
07	Z	Health Services Research					
08	Z	Primary Care and Other Community Based Clinical Subjects					
09	Z	Psychiatry, Neuroscience and Clinical Psychology					
10	Z	Dentistry					
11	Z	Nursing and Midwifery					
12	Z	Allied Health Professions and Studies					
13	Z	Pharmacy					
14	Z	Biological Sciences					
15	Z	Pre-clinical and Human Biological Sciences					
16	Z	Agriculture, Veterinary and Food Science					
17	Z	Earth Systems and Environmental Sciences					
18	Z	Chemistry					
19	Z	Physics					
20	Z	Pure Mathematics					
21	Z	Applied Mathematics					
22	Z	Statistics and Operational Research					
23	Z	Computer Science and Informatics					
24	Z	Electrical and Electronic Engineering					
25	Z	General Engineering and Mineral & Mining Engineering					
26	Z	Chemical Engineering					
27	Z	Civil Engineering					
28	Z	Mechanical, Aeronautical and Manufacturing Engineering					



R1A / R1B / R2

start RAS10 Circular A... SAS RAS10 Circular dr... 15:22

Click on these tabs to open the worksheet that contains the table you want to fill in.

List of abbreviations

EU	European Union
FTE	Full-time equivalent
FSR	Finance Statistics Return
HEFCE	Higher Education Funding Council for England
HEI	Higher education institution
HESA	Higher Education Statistics Agency
HESES	Higher Education Students Early Statistics
QR	Quality-related research
RAE2008	The 2008 Research Assessment Exercise
RAS	Research Activity Survey
RDP	Research degree programme
UOA	Unit of assessment



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