

Higher Education Innovation Funding 2011-12 to 2014-15: policy, final allocations and request for institutional strategies (HEFCE 2011/16)

Annex C: Guidance notes for completion of Annexes B1 and B2 (institutional strategy templates)

General guidance

1. For informal enquiries prior to submitting your strategy please contact Alice Frost (tel 0117 931 7010, e-mail a.frost@hefce.ac.uk), Adrian Day (tel 0117 931 7428, e-mail a.day@hefce.ac.uk) or Jenni Chambers (tel 0117 931 7041, e-mail j.chambers@hefce.ac.uk).
2. We intend to publish all institutional strategies after they have been approved for funding.
3. The Word template (Annex B1) is in three sections:
 - **Section A** seeks information on your overall knowledge exchange strategy and you should consider all activities, whether supported by HEIF or other sources. This helps us understand the context to your management and use of HEIF. We ask for more details on funding inputs than previously (Table A in Annex B2) so that we can improve our understanding of HEIF's value for money and how it complements other KE funding inputs.
 - **Section B** seeks specific information on the planned use of HEIF (Table B in Annex B2). We realise and expect that your expenditure plans will change over the funding period and we will collect up-to-date information on changes in our annual monitoring exercise. We ask for breakdowns of allocation of funds across categories of infrastructure/activity, as well as by type of expenditure so that, by linking the types of outputs in Table A with the HEIF inputs in Table B, we can give an improved picture to Government of how £600 million of public funding is likely to be used and what it may deliver.
 - **Section C** asks for additional information as follows:
 - barriers and enablers: these help us understand the factors that may hold back your performance or enhance it. We may ask for this information annually in monitoring; it helps us manage the risks to the programme, and provides evidence for policy discussion with Government
 - information to meet our new responsibilities under the Equality Act 2010
 - nomination of three key areas of planned institutional HEIF investment – we will use these when we request case study materials from time to time via your nominated contact. For example, if we are asked to provide materials on a particular topic to Government or for press purposes, we will use the key words to select HEIs to contact for a case study.
4. In all cases your responses should consider engagement with all external organisations, including public sector bodies and third sector partners, and not be restricted to businesses.

Guidance on specific questions

Section A

Question 1 (strategy)

5. As mentioned in paragraph 4 of this annex, this section should consider all KE activities whether or not supported by HEIF. Some HEIs may consider KE as a subset of something else, for example external relations, but we still require information on the key elements of the strategy as they relate to KE.
6. The free-text response to this question enables you to paint a clear, distinctive picture of your HEI's approach to KE. Ensure that you cover all points a-f, because we need information on all these aspects to assess your strategy against our criteria.

Question 2 (links to policies)

7. We wish to understand how the various drivers created by national policies interplay within institutions, in order to achieve most effective join-up and to maximise impact. We are also seeking information to provide to Government on how individual HEIs' approaches to KE, use of HEIF, and links of KE to other HEI missions/activities (for example impact of research) help achieve value for money and deliver government priorities overall. The information you provide will help us develop and review policy, including in discussions with Government.

Question 3/Table A (sources of funding inputs)

8. Table A is in Excel format: it and Table B can be downloaded as Annex B2 alongside the main report at www.hefce.ac.uk/Pubs/hefce/2011/11_16/
9. We recognise that HEIs will not hold information in the form that we request in this table. There is no comprehensive standard classification system for KE infrastructure. We have used a system devised by PACEC/CBR as part of its work on actual practice in HEIs. Further information on the PACEC work is given in Appendix 1. We understand and respect the important diversity of KE activities and arrangements in individual HEIs, but we need to be able to present a broad-brush overview across the HE sector by aggregating and synthesising the data provided across all HEIs. So please give estimates that are as accurate as possible in the format requested in Table A. You can set out your working assumptions, and raise any queries or concerns, in Question 4.
10. We also recognise that KE activities, infrastructure arrangements and funding sources vary considerably according to institutional factors (such as scale of the HEI, mix of research and teaching and disciplines, nature of partners and institutional aims), so responses from different HEIs will and should differ.
11. **Table heading:** Please use the most recent annual data available to you (for preference 2009-10 data) and note in the table the year of data that you have used.
12. **Rows A-F: activity/infrastructure categories:** We recognise that your KE infrastructure/activities will not align neatly with our categories and some areas in your HEI may overlap the categories (for example, a KE office that supports research exploitation and the enterprise/entrepreneurship activities in your HEI). Please use your best estimate and add notes in Question 4 that explain your approach. Break down your returns across as many categories as you can (that are relevant to activities of your institution), rather than return all in one category;

this helps us make the aggregate sector-wide picture more informative for Government. Appendix 1, Table 2 gives more detail on the types of activities related to each category.

13. **Column A: Was HEIF funding used for the category:** Answer Yes or No. If you did not have activity in the relevant category, answer No.

14. **Column B: Main types and sources of non-HEIF funding inputs:** Include only high-level and main items, because we will get a lot of information across approximately 100 HEIs so we will only be able to produce a broad-brush, sector-wide view (see worked example in Appendix 2 for the level of detail that we expect). We are not asking for quantification of the amounts from different types/sources, but only illustration of their nature. Include only large or main sources of non-HEIF inputs (see worked example in Appendix 2 for level of detail that we expect), which may include For example:

- KE support from other funders, such as Regional Development Agencies, Research Councils or the Technology Strategy Board
- core research or teaching funding/fees; or use of research or teaching project grants that have embedded KE support within them
- recycled revenue from KE services provided to beneficiaries
- other funds, such as endowments, alumni donations, corporate social responsibility funding or contributions in kind from community partners (these may be important as evidence for the value, for example, of public engagement activity or social enterprise development).

Do not quantify the amounts from different types/sources. Please add a comment next to a main source of non-HEIF inputs if you can associate it with a significant and specific percentage of primary HE-BCI outputs for the category. For example, in row A, column B, 'Income from businesses for contract research and consultancy (c30 per cent of primary HE-BCI outputs)'.

15. **Column C: Share of primary HE-BCI outputs:** Please enter information only on primary HE-BCI outputs:

- a. If you have no activity at all in a primary HE-BCI output category (for example, you have no revenue from intellectual property (IP) then put 0 per cent against all categories.
- b. If your primary outputs are attributable to more than one category (rows A-F), then put percentages under each category relevant to your HEI (and 0 per cent in categories that are not relevant).
- c. Percentages for each HE-BCI primary output should sum to 100 per cent across all categories. For example: an HEI that supports consultancy activity through its main KE office focused on exploitation and through a science park would put 50 per cent against consultancy in row A for 'research exploitation' and 50 per cent against consultancy in row F for 'exploiting the HEI's physical assets', but 0 per cent for consultancy in row D, 'supporting the community'.
- d. We do not need actual numbers against HE-BCI metrics, only likely percentages of the relationships between the identified outputs and the infrastructure category. We can then use the percentages you provide against future actual HE-BCI returns on outputs.

Keep in mind that we will not use data for your HEI individually, but will aggregate across HEIs, and hence broad-brush estimates are fine.

e. We do not assume that you use HEIF narrowly to drive HE-BCI outputs. We are seeking ways to associate major outputs with major inputs so as to be able to say something about efficiency and effectiveness overall across HE. We will continue to work with you to expand our understanding and measurement of other forms of KE outputs and impacts.

16. **Column D: Percentage of outputs attributable to HEIF for the category:**

a. We are not asking you to attribute specific primary HE-BCI outputs to HEIF, but only to estimate the additionality of HEIF for the specific infrastructure category (which we will then apply to all the outputs related to the category).

b. Again we are seeking only an informed estimate. Another way of coming to an estimate of this data is to consider: how important is HEIF funding to support this category as compared with other sources? For example, an HEI that has a specialised KE office that focuses on research exploitation, and has used a considerable proportion of HEIF to support the KE office, may have high percentages of outputs attributable to HEIF. An HEI that makes available expensive equipment and facilities to users, but manages this from departments with little HEIF support, may have very low percentages of outputs attributable to HEIF and might mention in Column B funding inputs from, for example, the Research Councils.

c. We are primarily concerned with attribution of outputs to HEIF. Include explanatory notes in Question 6 of any main assumptions or estimates that you have made.

d. We do not assume that non-HEIF attributable outputs (that is, the residual percentages once HEIF-attributable outputs have been deducted) are all attributable to the other funding inputs you summarise in the table; nor are we looking for an account of how all outputs are funded. There will be a 'natural' level of output production from research and teaching, as well as the contributions from the other funding inputs you describe.

17. **Column E: non-HE-BCI metrics:** This is an optional data field, which you may wish to complete if your HEI has found innovative ways to describe and measure activities, outputs and impacts that we do not presently capture in HE-BCI. It is unlikely that we can aggregate such information across HEIs, but we will be able to produce tables that have some narrative on value gap areas. For example, endowments, gifts, corporate social responsibility or in-kind contributions to public engagement may be useful signals of user value/engagement provided by a relevant third party. This information will inform our future work programme to improve our measurements of KE volume and value. This optional section will not be taken into consideration in assessing your strategy against the published criteria for funding purposes.

18. Please comment in Question 14 about how you found this exercise, both difficulties and opportunities. This will help us improve our approaches in future.

19. We provide a worked example of Table A at Appendix 2 below to give you a feel for the level of detail that we need in the table.

Question 4 (notes)

20. Add notes here about how you completed Table A: for example, your working assumptions and where/how you think the table could be improved.

21. In particular, please focus on information that will help us aggregate across all strategies. For example, explain how you have split your activities across categories and any areas of uncertainty on this, particularly for major items that might distort results. Our expert researchers will analyse all the returns and aggregate data, and your notes may help them identify major anomalies and adjust to these. Your information will help us improve the approach used for future evaluation exercises and other work.

Question 5 (management of KE)

22. Given the progress to date in the performance and embedding of KE in HEIs, we expect institutions to have in place robust management systems for KE activities. So we ask only that you confirm that you have sound and secure management systems in place.

23. We expect HEIs to have policies and procedures in place for the aspects of management that we highlight in sub-headings to Question 5. These are important matters to ensure value for money from HEIF and we expect HEIs to keep them under active review, to develop further their KE performance. We may ask for further information about these policies and procedures as part of the assessment process (and thereafter in monitoring where there are causes of concern) so HEIs should ensure that appropriate documentation is to hand.

Question 6 (efficiency and effectiveness)

24. Please comment on how your institution is addressing efficiency and effectiveness to respond to the pressures on and opportunities for your institution (for example: through internal co-ordination or external collaboration and shared services; by disinvesting and focusing on priority areas of KE; innovation or building on past successful approaches).

Question 7 (HEI collaborations)

25. Collaboration to provide the most efficient KE infrastructure remains a critical aspect of KE policy and HEIF funding. We are interested in institutional collaborations related to provision of infrastructure, shared services and so on, but **not**: academic collaborations; collaborations with funding/strategic partners, such as formerly with the RDAs; collaboration with users/beneficiaries (for example, with SMEs). We are interested in institutional collaborations related to provision of infrastructure, shared services etc, not academic collaborations.

26. Question 7a focuses on collaboration with other UK HEIs on institutional KE infrastructure (for example, sharing IP licensing arrangements). Please specify the number of HEIs with which you collaborate (not the number of agreements).

27. In Question 7b, please give more details on your answer to Question 7a, but also provide information on non-UK HEI partnerships focused on institutional KE infrastructure (for example, collaboration with overseas HEIs, public sector research establishments or the NHS).

Section B

Question 8/Table B (use of HEIF)

28. Table B is in Excel format: it and Table A can be downloaded as Annex B2 alongside the main report at www.hefce.ac.uk/Pubs/hefce/2011/11_16/ .

29. Please break down your HEIF allocations by years across three expenditure types:

- dedicated KE staff
- academic staff KE activity – this includes buying out academic staff time to develop KE practice, as well as academic leadership and development activities in KE (training, for example)
- other costs and initiatives – this includes all forms of projects (such as proof of concept, seed-corn funding and pump-priming) as well as the costs of managing KE activities (such as marketing or evaluation)
 - do not include the project management time of KE staff in this category (put that in row B, ‘dedicated KE staff’)
 - if project funding is focused specifically on buying out academic staff time, include it in row C, ‘academic staff KE activity’.

30. Include all your HEIF allocation under the three main types and add any explanatory notes in Question 9 (for example, if you have split certain items across two categories or there is an item you are uncertain about). Do not add extra rows for other expenditure types because we will then have to assign them back to the three categories to aggregate across all HEIs.

31. Then, under each of the three expenditure types (‘dedicated KE staff’, ‘academic staff KE activity’ and ‘other costs’), estimate the percentage distribution of the HEIF allocation (money or time of staff supported through funds) to the same infrastructure/activity categories used in Table A and explained in Appendix 1. We recognise that you do not collect financial or forecasting data by these categories, and hence you can only estimate. Add notes in Question 9 to explain how you have approached the task.

32. Our primary reason for asking for this information by categories is to be able to present a much-improved, sector-level picture in our overview report. Our researchers will use your information to analyse and synthesise results, so that we can give an aggregate picture of how funds will be used and what they may deliver (that is, by linking the inputs in Table B with the types of outputs associated with the same categories in Table A). If you give a clear account of how you have approached the task, we do not expect this to affect the assessment of the strategy and hence release of funding.

Question 9 (explanatory notes to Table B)

33. Add notes here about how you completed Table B, for example, your working assumptions and where/how you think the table could be improved.

34. In particular, focus on information that will help us aggregate across all strategies. For example, explain how you have split your activities across categories and any areas of uncertainty on this, particularly for major items that might distort results. Our expert researchers will analyse all the returns and aggregate data, and your notes may help them identify major

anomalies and adjust to these. Your information will help us improve the approach used for future evaluation exercises and other work.

Question 10 (uses of HEIF and future)

35. Under Question 10a, please describe the particular uses of HEIF against other funding inputs, for example:

- HEIF used to support capacity (KE-dedicated professional staff) to identify sources of other funding, or used as leverage for other sources of funding inputs
- HEIF used for pump-priming or pilots with a view to identifying a market/other income streams
- HEIF used as the only available source of support for a type of activity.

36. Please add comments here, if you wish, on whether the nature of HEIF (for example, relatively predictable or discretionary use) is important to complement other funding inputs.

37. Under Question 10b, please comment on how you envisage the mix of funding inputs changing over the HEIF 2011-2015 period. This might include opportunities or pressures from changes to other funding, such as student fees, changes to teaching funding, or research impact. It may also include impacts from the wind-down of the RDAs and other KE funders. This will help us in our risk assessment of overall HEIF programme delivery and inform policy discussions, including with Government.

Section C Additional information

Question 11 (barriers and enablers)

38. Please consider barriers and enablers relating to the overall strategy and to the specific implementation of HEIF plans. It may be helpful to distinguish between 'external' barriers/enablers, such those related to user demand, and 'internal' barriers/enablers, such as staff engagement.

39. We may ask you to update this information annually as part of monitoring so that we can consider whether there are any policy developments that could help you that we could consider with the Government.

Question 12 (equality and diversity)

40. Please comment on institutional policies on equality and diversity that relate to your KE strategy and activities (for example, equality and diversity policies related to recruitment and promotion of HEI staff, or ethical policies on the types of organisations and beneficiaries that you work with in KE).

41. If a relevant policy is accessible online, you may provide web links rather than summarising here.

Question 13 (key areas)

42. We will use the information in Question 13 to approach your institutional contact (either the person identified at the beginning of the template or someone else whom you may nominate in this question as indicated) for case study information from time to time. This might include asking

for information to inform communications or press notices, or information to provide to Government.

43. **Please use only 'level 2 descriptors' as given in Appendix 1, Table 2** because we will use these to compile a simple searchable database across all HEIs. However, you may add notes if there is a particular aspect of the activity that is distinctive in your HEI, or where the level 2 descriptor is not a good fit (for example, an HEI may be particularly distinctive in cultural entrepreneurship practice). We do not require details of specific projects/initiatives here, only enough detail that we can approach your institutional for a case study relevant to a search enquiry that we may have in future.

44. Please focus only on areas that will benefit particularly from HEIF 2011-2015 funding, because we will use these to exemplify value for money from HEIF funding. These may be established areas of strength, or where you intend to build up activity or focus further.

Question 14 (anything else)

45. Please add any other comments on aspects of KE and HEIF policy and funding, including how you have found this exercise of completing the template. This will help us improve our approaches in future.

Appendix 1 Descriptions of infrastructure/activity categories

1. The category descriptors for use in Tables A and B (which are in Annex B2) are listed in Table 2.

Table 2 List of infrastructure/activity categories and level 2 descriptors

Level 1 category	Level 2 descriptors
Facilitating the research exploitation process	Access points for external organisations; business development; technology transfer; consultancy support; contracts/legal support; patenting/IP advice; corporate relations; press/communications; investment funds, such as seed and proof of concept; external fundraising for research
Skills and human capital development	Continuing professional development/short courses; joint curriculum development; lifelong learning; careers services; work placement/project experience
Knowledge sharing and diffusion	Provision of public space*; alumni networks; KE professional networks; staff exchanges; academic-external organisation networks
Supporting the community/public engagement	Outreach; volunteering; widening participation; awareness-raising/knowledge diffusion; involving the public in research; social cohesion/community regeneration
Social enterprise/entrepreneurship	Social enterprise; enterprise and entrepreneurship training
Exploiting the HEI's physical assets	Science parks; incubators; facilities/equipment

* Public space is defined here as where diverse partners come together to discuss public issues and community problem-solving, not a physical public space such as a change to a campus layout (the latter should be returned under 'exploiting physical assets').

2. This list is drawn from the CBR/PACEC working paper 'Understanding the KE Infrastructure in the English HE sector'¹

3. The working paper sought to:

- explore the myth that technology transfer was the main KE activity in HEIs and that all KE was organised within a single Technology Transfer Office
- broaden understanding for a wider audience of the now standard multi-channel approach to knowledge exchange, which involves a range of different modes of knowledge-based interaction between HEIs and their economic and social partners

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www.pacec.co.uk/reports/Understanding_the_Knowledge_Exchange_Infrastructure_in_the_English_Higher_Education_Sector.pdf

- increase understanding that these many and various modes are supported through a variety of professional infrastructures and offices within HEIs. Different HEIs undertake different ranges of KE activities and organise their KE infrastructures in many different ways, depending on size of the HEI, academic mix, physical location and so on.

The working paper built upon a considerable evidence base on actual practice in HEIs, built up from past research and evaluation.

4. HEIs also use a range of different terminologies for detailed KE activities. This makes it difficult to synthesise information across all HEIs. We recognise that some of the language in the descriptors in Table 2 may not be exactly as you use in your HEI. Please use terms from the descriptors that are the closest fit. Do not use terms other than in Table 2 because then we may not be able to use your information in a summary synthesised with data from other HEIs. There is a text box for explanatory notes linked to each question that uses these descriptors, so use this if you want to add something about the practices or terms used in your HEI and how they fit with our categories. You may also comment on ways we could improve these descriptors for use in future across the HE sector.

5. We also recognise that your KE offices and activities may overlap these categories (for example, your entrepreneurship activities might be grouped in a single unit, and may support academic entrepreneurship to increase knowledge exploitation and student enterprise education). Throughout, we ask for your best estimates of splits across our categories and for you to provide us with explanatory notes on your approach.

Appendix 2 Worked example of Table A: sources of funding inputs

Category	Financial year 2009-10					
	A. Was HEIF 4 funding used to support this category?	B. List other main types and sources of non-HEIF funding inputs used to support this category (add a comment if you can associate a specific % of HE-BCI outputs with any main source)	C. Please estimate the approximate share of your primary HE-BCI outputs associated with this category (should sum to 100% for each output category e.g. 'consultancy'); or 0% if no activity		D. What % of HE-BCI outputs do you estimate are typically attributable to HEIF in this category (should not sum to 100%)	E. Optional question: Add (short/headline) information if you wish on non-HE-BCI metrics/outputs including qualitative that you use relevant to the category
			HE-BCI activity	% associated with category		
A. Facilitating knowledge/research exploitation process	Yes	Income from businesses for contract research and consultancy (around 30% of HE-BCI outputs); RC KE schemes (esp EPSRC); TSB Collaborative R&D programme; Core R	Collaborative research	100	40%	
			Contract research	100		
			Consultancy	50		
			Facilities and equipment-related services	20		
			Continuing professional development	0		
			Regeneration and development programmes	0		
			IP process (disclosures, protection etc)	50		
			Licensing and intellectual property	50		

			Formal (HEI's IP-based) spin-offs	100	
			Start-ups (new enterprises not based on formal IP)	20	
			Graduate start-ups	0	
			Public events (public lectures, performance arts, exhibitions etc)	0	
B. Skills and human capital development	Yes	Core T funding; RDA/ESF funding; Skills Funding Agency; employer/employee fees	Collaborative research	0	20%
			Contract research	0	
			Consultancy	0	
			Facilities and equipment-related services	0	
			Continuing professional development	80	
			Regeneration and development programmes	50	
			IP process (disclosures, protection etc)	0	
			Licensing and intellectual property	0	
			Formal (HEI's IP-based) spin-offs	0	
			Start-ups (new enterprises not based on formal IP)	0	

			Graduate start-ups	50		
			Public events (public lectures, performance arts, exhibitions etc)	0		
C. Knowledge sharing/diffusion	No	Core R funding; core T funding; Endowment (Gatesby Foundation)	Collaborative research	0	0%	Alumni donations raised; business corporate social responsibility support
			Contract research	0		
			Consultancy	20		
			Facilities and equipment-related services	0		
			Continuing professional development	0		
			Regeneration and development programmes	0		
			IP process (disclosures, protection etc)	0		
			Licensing and intellectual property	0		
			Formal (HEI's IP-based) spin-offs	0		
			Start-ups (new enterprises not based on formal IP)	0		
			Graduate start-ups	0		
			Public events (public lectures, performance arts, exhibitions etc)	20		

D. Supporting the community/public engagement	Yes	RDA funding; Local Authority grant; Research Council PE scheme (Royal Society); Local endowments (local charity and alumni donor); National charities (Wellcome Trust, Big Lottery Fund)	Collaborative research	0	20%	In-kind contributions from community partners
			Contract research	0		
			Consultancy	0		
			Facilities and equipment-related services	0		
			Continuing professional development	20		
			Regeneration and development programmes	30		
			IP process (disclosures, protection etc)	0		
			Licensing and intellectual property	0		
			Formal (HEI's IP-based) spin-offs	0		
			Start-ups (new enterprises not based on formal IP)	0		
			Graduate start-ups	10		
			Public events (public lectures, performance arts, exhibitions etc)	80		
E. Enterprise education and entrepreneurship	Yes	Core T funding	Collaborative research	0	10%	
			Contract research	0		

			Consultancy	0		
			Facilities and equipment-related services	0		
			Continuing professional development	0		
			Regeneration and development programmes	20		
			IP process (disclosures, protection etc)	50		
			Licensing and intellectual property	50		
			Formal (HEI's IP-based) spin-offs	0		
			Start-ups (new enterprises not based on formal IP)	80		
			Graduate start-ups	40		
			Public events (public lectures, performance arts, exhibitions etc)	0		
F. Exploiting the HEI's physical assets	Yes	RDA funding; Bank/local development corporation; RC grants (NERC for low carbon simulator)	Collaborative research	0	40%	
			Contract research	0		
			Consultancy	30		
			Facilities and equipment-related services	80		

		Continuing professional development	0
		Regeneration and development programmes	0
		IP process (disclosures, protection etc)	0
		Licensing and intellectual property	0
		Formal (HEI's IP-based) spin-offs	0
		Start-ups (new enterprises not based on formal IP)	1-
		Graduate start-ups	0
		Public events (public lectures, performance arts, exhibitions etc)	20