



# HEFCE Update

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# *Focus on the bigger picture*

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- supporting economic recovery and growth
- building education and research partnerships in the faster growing economies
- focusing research efforts
- maintaining our international reach
- preparing graduates with a 'global' outlook
- maintaining a rich diversity of higher education institutions

# *White Paper Principles*

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- Students at the heart – UG at the heart, ‘consumer’ protection
- Dynamism for universities – driven by student choice
- Quality Improvement – Improving the Student Experience
- Increasing Social Mobility
- Budget Control – Financing Students, Sustainable & Fair Funding
- Level Playing Field – a new fit-for-purpose regulatory framework
- Diverse Provision
- ....not so much as before on markets

# Key Challenges

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- Offering more diverse provision for students
- More vocationally-oriented provision, informed by employer need
- Routes for progression to HE from vocational qualifications and employment
- Sustaining key subjects, particularly STEM, when student demand has not matched the nation's need
- Promoting employability, including through internships and information on employment
- 'Students at the Heart of the System' – **Student Choice**

# *HEFCE's future role*

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- **investment:** targeting investment on clearly defined 'public benefit' outcomes and ensuring a smooth transition to the new funding arrangements
- **regulation:** supporting the development of the new regulatory framework and safeguarding the collective student interest and the wider public interest
- **information:** taking forward the KIS, and undertaking a streamlined approach to information management including monitoring the impact of the reforms
- **partnership:** continue to work in close collaboration with universities and colleges, public bodies, students, charities and the business community

# *Key Activities next 9 months*

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- HEFCE consultations on post 2012 T funding method
- BIS consultation on new regulatory regime
- HEFCE Business Plan
- Accountability Returns
- Competition for margin places
- HEFCE Grant Letter
- Access Agreement submissions
- HE Bill
- Financial Forecasts



# *Specific Initiatives – for our T-Funding Review*

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- Controlled freeing up of numbers so that ‘popular universities can grow if they wish’ – AAB students taken out of the SNC
- A margin of 20,000 places (c.9%) taken from all universities (after AAB subtracted) and offered to those who pass a quality test and have an average fee after waivers of less than £7.5k
- Endorsement for many of existing T-funding streams – WP, SIVS, SSI, High-cost....
- PG?

# Assessing research quality

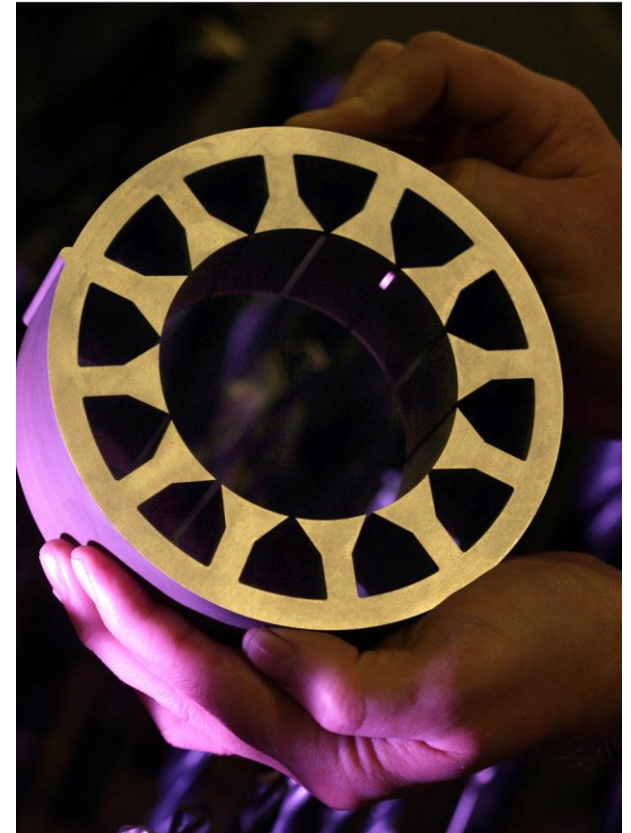
*To identify and reward the contribution that high quality research has made to the economy and society:*

- Making these explicit to the Government and wider society
- Creating a level playing field between applied and theoretical work but recognising only impact based on excellent research
- Encouraging institutions to achieve the full potential contribution of their research in future.



# National policy

- A strong and innovative national research base is essential to support national prosperity in a globalised knowledge based economy
- Need to strengthen links between undertaking research and developing new products and services
- Our strategic aim is to develop and sustain a dynamic and internationally competitive research sector that makes a major contribution to economic prosperity, national wellbeing and the expansion and dissemination of knowledge.



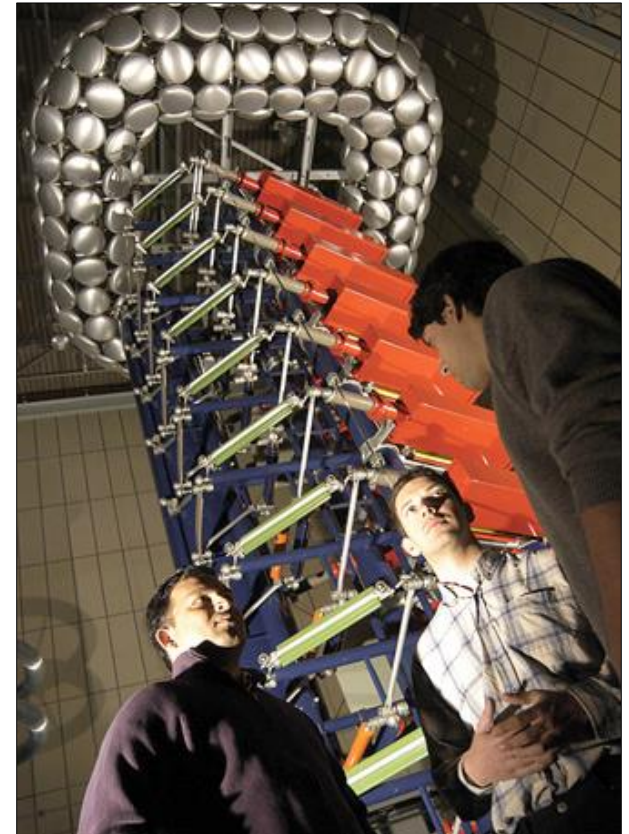
# Big ideas for the future



*“UK Research that will have a profound effect on our future.”*

# Challenge to universities

- Developing new knowledge is in the DNA of most academics and universities
- Matching mission and investment more difficult than with teaching
- Substantial public investment but can only do a fraction of the research which universities want to do and society needs
- Entrepreneurial and engaged universities, working with benefactions, business, Government and other funders.



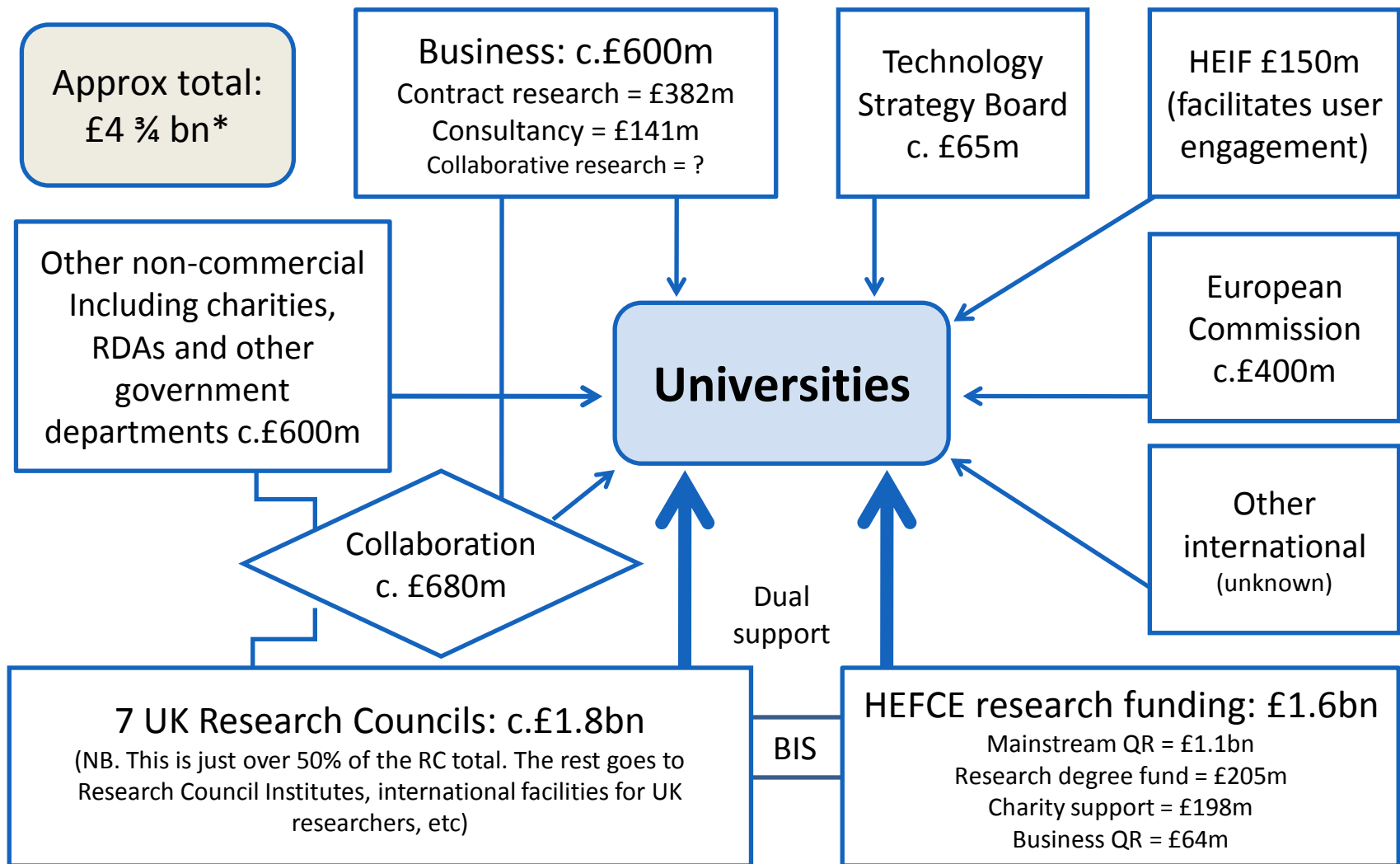
# University – business links

- In 2003 the CBI noted less than 20% of businesses had links with HEIs. In the CBI Education and Skills Survey 2010, 66% of businesses now have links with HEIs.
- Significant contribution to academic culture change towards knowledge exchange: number of academics with positive attitudes to KE has grown from 61% in 2001 to 76% in 2008.
- Benefits to research and teaching: 48% of academics judged that KE gave them new research insights; 38% of academics judged that KE had helped them improve their presentation style.

# A successful UK research base

- 11 UK universities in the World universities ranking top 100 (second only to US)
- UK attracts 15% of all international doctoral students (second only to US)
- 3rd in G8 (behind US and Germany) for production of PhD qualifiers
- UK produces more publications and citations per pound spent on research than other G8 nations
- With 1% world population we produce 6.9% of world publications, receive 10.9% of citations and 13.8% of citations with highest impact.

# Research funding flows to HE



\* This is an estimate. Excludes informal flows, funding in kind and other funding streams that universities themselves may channel into research.

# HEFCE Allocations: selective allocation leading to concentration

| HEI Group          | 2010-11 | 2011-12 | Change |
|--------------------|---------|---------|--------|
| Top 5' in 2010-11  | 33.3%   | 34.3%   | 1.0%   |
| Top 10' in 2010-11 | 49.3%   | 50.2%   | 0.9%   |
| Top 20' in 2010-11 | 69.7%   | 70.4%   | 0.7%   |
| Top 50' in 2010-11 | 91.8%   | 92.3%   | 0.5%   |

# HEFCE Research funding (QR)

- Government request of: *selectively funding on the basis of only internationally excellent research*
- Mainstream quality related (£1,053M): allocated selectively to reward evidence of highest quality as best indicator of future performance
- QR charity support element (£198M): is allocated in proportion income from charity sponsored research
- QR business support element (£64M): is allocated in proportion to income from business sponsored research
- PGR supervision funding (£205M): planning to increase cash value and allocate more selectively from 2012-13.



# Investing QR for success

- Universities are funded to build and sustain baseline capacity of high quality
- Undertaking research often chosen by the priorities of the researcher – ground-breaking and innovative ‘blue-skies’ research
- Stable base on which to undertake research commissioned by other funders
- Allows exploration of new areas of research, looking at connections between disciplines, support of early-career staff, doctoral students, support of staff between grants and research facilities
- Expenditure at discretion of the university.

# *Impact: Initial Consultations*

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- Eventually...widespread acceptance of the principle of incorporating impact in the REF, and agreement that the impact assessment should:
  - Be based on expert review
  - Review historical impacts, not predict future impact
  - Focus on the impact of submitted units' research, not individual researchers
  - Be underpinned by high quality research
  - Take a wide view of impact, inclusive of all disciplines

# *The REF Framework*

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## Overall excellence profile

### Outputs (65%)

Maximum of 4  
outputs per  
researcher

### Impact (20%)

Impact Template  
& Case studies

### Environment (15%)

Narrative  
template +  
income and  
student data

# *The impact pilot exercise*

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- Tested and developed a case study approach to assessing the impact of research
- Five units of assessment (UOAs)
- 29 UK higher education institutions each submitting to 2 UOAs
- Each submission included:
  - An 'impact statement' for the submitted unit as a whole
  - Case studies illustrating examples of impacts achieved (a total of one case study per 10 research staff)
- Impacts that occurred during 2005-09, underpinned by research since 1993

# *The pilot panels*

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- Membership drawn from academia and research users from the private, public and third sectors
- The panels tested the methodology by:
  - Assessing the case studies in terms of ‘reach and significance’ of the impacts
  - Considering the wider ‘impact statements’
  - Producing impact profiles
  - Reflecting on the process, identifying issues and making recommendations on how to improve the process

# *Pilot reports*

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- Publications on [www.ref.ac.uk](http://www.ref.ac.uk):
  - The findings of the five pilot panels
  - Feedback from the 29 pilot HEIs (by Technopolis)
  - Examples of good practice case studies
  - A summary of workshops to explore impact in the arts, humanities and social sciences
  - Guidance documents used in the pilot exercise

# *Key findings*

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- The process makes explicit the benefits that research in each discipline brings to society
- It is possible to assess the impact of research, through expert review of case studies
- A number of refinements are needed for full implementation
- A generic approach is workable, with scope for REF panels to tailor the criteria as appropriate to their disciplines
- The weighting should be significant to be taken seriously by all stakeholders, and needs careful consideration

# Benefits of research

## Clinical medicine

- Impacts on patient outcomes, health policy and practice, medical technology and the pharmaceutical industry

## Physics

- Impacts on high-tech products and services, public engagement with science and defence and energy policy

## Earth systems & environmental sciences

- Impacts on environmental policy, conservation, managing the environmental, utilities, risks and hazards, exploration of resources, public health

## Social work & social policy

- Impacts on social policy, public services, third sector, practitioners and public debate

## English language & literature

- Impacts on creative industries, cultural enrichment, civil society, English as a global product, policy development



# Societal contribution (1)

- **Economic & commercial** – creating wealth, for public good and private gain
- **Public policy and services** – stimulating public sector innovation as a contribution to growth and quality of life
- **Society, culture and creativity** – enriching and expanding lives, imaginations and sensibilities while challenging cultural values and social assumptions
- **Health and welfare** – saving lives and enhancing the quality of life.

# Societal contribution (2)

- **Production** – increasing production, yields or quality; reducing waste
- **Practitioners and services** – changes to professional standards, guidelines or training; influence on workforce planning
- **Environment** – influencing the policy debate on climate change or other environmental policy issues
- **International development** – influencing international policy development or international agencies or institutions; quality of life improved in a developing country
- **Education** – influencing the form or the content of the education of any age group in any part of the world.

# Impact: Criteria

The criteria for assessing impacts are **reach and significance\***

|                     |  |
|---------------------|--|
| <b>Four star</b>    | Outstanding impacts in terms of their reach and significance   |
| <b>Three star</b>   | Very considerable impacts in terms of their reach and significance   |
| <b>Two star</b>     | Considerable impacts in terms of their reach and significance  |
| <b>One star</b>     | Recognised but modest impacts in terms of their reach and significance   |
| <b>Unclassified</b> | The impact is of little or no reach and significance; or the impact was not eligible; or the impact was not underpinned by excellent research produced by the submitted unit |

\* Each main panel provides a descriptive account of the criteria

# Impact: Definition for the REF

- An effect on, change or benefit to the economy, society, culture, public policy or services, health, the environment or quality of life, beyond academia
- Impact **includes** an effect, change or benefit to:
  - The activity, attitude, awareness, behaviour, capacity, opportunity, performance, policy, practice, process or understanding
  - Of an audience, beneficiary, community, constituency, organisation or individuals
  - In any geographic location whether locally, regionally, nationally or internationally
- It **excludes** impacts on research or the advancement of academic knowledge within HE; and impacts on teaching or other activities within the submitting HEI

# Impact: Submissions

## Impact template (REF3a)

- Sets out the submitted unit's general approach to enabling impact from its research
- One template per submission – with a page limit depending on the number of staff submitted
- Covers the period 1 Jan 2008 to 31 Jul 2013
- Contributes 20% to the impact sub-profile

## Case studies (REF3b)

- Specific examples of impacts that were underpinned by the submitted unit's research
- The number of case studies required depends on the number of staff submitted
- Impacts during 1 Jan 2008 to 31 Jul 2013; underpinned by research since 1 Jan 1993
- Contributes 80% to the impact sub-profile

# Impact: Template (REF3a)

- The unit's approach to enabling impact from its research:
  - Context for the approach
  - The unit's approach during 2008-2013
  - Strategy and plans for supporting impact
  - Relationship to the submitted case studies
- Provides additional information and context for the case studies, and can take account of particular circumstances that may have constrained a unit's selection of case studies
- To be assessed in terms of the extent to which the unit's approach is conducive to achieving impact of 'reach and significance'

# Impact: Case studies (REF3b)

- In each case study, the impact described must:
  - Meet the REF definition of impact
  - Have occurred between 1 Jan 2008 and 31 July 2013 (can be at any stage of maturity)
  - Be underpinned by excellent research (at least 2\* quality) produced by the submitting unit between 1 January 1993 to 31 December 2013
- Submitted case studies need **not** be representative of activity across the unit: pick the strongest examples

# Impact: Case studies (REF3b)

- Each case study is limited to 4 pages and must:
  - Describe the underpinning research produced by the submitting unit
  - Reference one or more key outputs and provide evidence of the quality of the research
  - Explain how the research made a 'material and distinct' contribution to the impact (there are many ways in which this may have taken place)
  - Explain and provide appropriate evidence of the nature and extent of the impact: Who/what was affected? How were they affected? When?
  - Provide independent sources that could be used to verify claims about the impact (on a sample audit basis)