University of Edinburgh

Procedures for approving major new research collaboration initiatives

Context

The University is involved in hundreds of research collaborations. Many of these are fairly informal and simply involve two or more members of staff or research groups developing plans to work on the same problem or to share a research facility. In some such cases, especially in HSS, no external funding is involved, at least initially, and it is very unlikely that issues of IPR or credit for work between partners will arise. In a majority of cases, however, at some point a joint application is made for support to an external funding body. In these cases, the standard University procedures for application for funds apply: the College Office and ERI will be involved in signing off the application, and it is their responsibility to ensure that University management, financial and planning arrangements are complied with (for example, that proper provision is made for allocation between the partners of indirect cost recovery and the handling of IPR).

Recently, however, opportunities have begun to arise for more extensive collaborative arrangements often at whole School level, in a context where the Executive, SHEFC, and OST are all pressing for increased collaboration, and are suggesting that there will be significant additional funding to reward it. Members of CMG have periodically been informed by the Principal about these initiatives and of their potential importance for future University funding. A feature of many of them is that they involve Heads of Schools and Colleges in negotiations that may move quite rapidly to a point where commitments need to be entered into if funding timetables are to be met, and where such commitments are likely to involve substantial parts of the University (for example whole Schools) and will at least be cast as if they are to last for many years to come, if not in perpetuity. This requires that procedures for approval of proposed schemes should be as fast as is compatible with proper governance, audit and control, and that some considerable flexibility will be required, while bearing in mind that a laissez-faire context where such schemes are entirely led from Schools could raise significant financial and managerial risks for the University.

This paper suggests a number of procedural guidelines that will, on the one hand, provide adequate management control while, on the other, will facilitate fast and responsive decisions to be reached. It lays down some general principles that will normally apply to all such high level collaborations, plus the procedures that should be adopted to gain approval. In the latter context, the approach proposed reflects the fact that there are three different groups of stakeholders involved in any such proposal, and that some degree of separate documentation and approval is needed to reflect this:

- One document (‘Document A’) would be the proposal that will go to sponsors. This will inevitably be developed largely between the School and its partners, with drafting and commitments reflecting the requirements of these sponsors, but it must nevertheless not commit the University and its partner organisations to things that they are not corporately willing to approve.
Lying behind this is a second document (‘Document B’), finalised only near the end of the process and, unlike smaller scale collaborations, required because of the status and long-term implications of the process. This is likely to be a formal Memorandum of Understanding between the participating parties which will govern how the proposed collaboration is to work.

Finally, behind this, but ideally initially drafted right at the start and then signed off at the end, must be a third document (‘Document C’) which makes the case through the College to the central University bodies. This should cover such issues as what will be gained from the proposed collaboration, what the commitments are likely to be, and how they will be resourced. The University corporately has an essential interest here in order to confirm that any necessarily ad hoc arrangements that may have to be agreed during negotiations over funding allocations or IPR or other areas do not set precedents with problems for other areas.

**General principles**

- All collaborations under these SHEFC/OST schemes are entered into by the University and not by Schools or Colleges. They will thus be signed off by the Principal, and major schemes, with long-term financial and other implications (even if these are proposed to be met entirely by the College or School), will need the formal approval of CMG. To ensure that this is forthcoming as a formality at the end of the process it is essential that both School and College ensure that all appropriate consultations as outlined below are undertaken in a timely fashion as the process develops.

- All proposals to be supported must be of clear benefit to the academic and/or financial position of University of Edinburgh; added value must be clear and clearly stated.

- Activities to be covered will normally be limited to research and postgraduate activity; undergraduate pooling would need to be subject to a separate set of agreements.

- Proposals must make every effort to obtain funding from external sponsors of all additional direct costs, and also additional attributable support costs of a kind which will be chargeable to research sponsors under the new TRAC/Sustainability rules.

- Where access to facilities in partner institutions is also being provided to non-partners, arrangements must be put in place to ensure that full marginal costs, including additional infrastructure costs, are covered.

- All proposals to be supported must have a break clause in the event that adequate external funding fails to be provided. Similarly, they are likely to need to be renegotiated if the rules for the next RAE do not allow the results (and consequential funding) to be attributed separately by numbers in grades to participating HEIs.

- Any bodies to be set up under these schemes will not employ their own staff – staff line management responsibility will remain with HoSs and any devolution of responsibilities must be on clearly specified terms and approved by the relevant College HRM.
• Clear management arrangements must be established, compatible with existing management structures. Joint ‘management boards’, especially if they involve members from outwith the participating institutions, should be avoided; experience suggests that these boards come to believe that they have power to command resources, thus producing conflict, for example, over staff time required for undergraduate teaching, with the HoS; advisory boards will normally be a better solution.

• Similarly, all accommodation, equipment and other resources acquired or used by such activities must be clearly attributed to one or other of the collaborating parties on agreed terms.

• The title of any body must make clear that it is limited to a bounded set of disciplines and must not imply to anyone reading it that there is a wider merger of activities between institutions; equally titles of bodies created by such schemes must not be confusing in their context of UoE management structures [so that, for example, words like ‘graduate schools’ need to be avoided (suggest ‘research and postgraduate school’ is a viable alternative if necessary)].

• UoE present policy is that all staff should be considered eligible for inclusion in the next RAE; situations should be avoided where we may be left with a rump of staff who are returnable but only in some way outwith the organisation being created.

• All such schemes should include some provision for a periodic review, normally at no more than five-yearly intervals, and they should be established in ways that do not establish any legal or significant financial penalties from termination after a review. The presumption should be that the activity will only continue if there continue to be strong and positive reasons for doing so, and that it will be for the College and not simply the School to make the final decision on this issue from the University’s point of view.

Approval by the College and CMG

The relevant College(s) and CMG will need to be satisfied on the following points; this may most easily be done by the preparation of a brief document which includes the following:

• A brief academic case making clear how the collaboration will advance research or other academic objectives of the University.

• A statement indicating the University financial inputs (existing and new, capital and recurrent) that will be required and where they will be funded from.

• A statement making clear which staff will be attributed to this activity and how they, as well any staff in the area not included, will be included or excluded in the next RAE.

• A statement of demands (additional and new) that the proposal will initially make on infrastructure and support activities, making clear the assumptions that have been used in
reaching the conclusions drawn [once TRAC is in full operation, a full TRAC costing will anyway be required by SHEFC/OST, and it would be good practice to seek to mirror this from now on].

- A statement of the income flows (existing and new) into the University which will be attributed to the new activity and a proposal as to how they will be allocated to the home School, to the College, and to support costs [the basic model will assume that standard NPRAS rules will apply, but the college will need to indicate how it will allocate any additional NPRAS earnings or costs attributed to this activity].

- A statement making clear the management arrangements proposed which must ensure that the HoC and HoS retain ultimate responsibility for the allocation of resources between this and other University activity and, in particular, have single managerial control over all staff.

- A set of ‘as-SMART-as-possible’ targets or benchmarks which the joint activity will be expected to meet.

- A risk assessment including a clear sensitivity analysis relating to possible shortfalls in income and capital contribution from each of the proposed sources.

- An exit strategy should the activity fail to deliver its expectations.

- Specific justifications for any aspect of a proposal that does not conform to the ‘General Principles’ principles laid out above.

It will be the College’s responsibility to ensure that appropriate answers are available on each of these points and to bring the final paper to CMG. However, in order to ensure that there are no difficulties in approving the final version of such proposals, and also to ensure that those in the University who are responsible for dealings with SHEFC/OST are fully informed at all times, it is important that consultation is maintained along the way. All proposals must therefore be shared as they develop with the appropriate College management teams. The Principal should be kept fully informed and the Director of Planning should see early and continuing drafts of the proposals to sponsors and the paper to CMG, which s/he will share as appropriate with the Senior Vice-Principal with respect to University-wide planning issues; the Director of Planning is also the University’s main line of contact with SHEFC and it is therefore vital that s/he is fully informed at all times. Proposals should also be seen at an early stage by the College Accountant, HR Manager and Estates and Buildings contact person who will be responsible for advice within their own areas of responsibility (for example over costings to be included and any HR implications) and also for cross-checking with their corporate colleagues on any University-wide policy, legal, taxation or accommodation issues in their areas. College Registrars should ensure that other support services are informed of details relevant to them, and that any areas identified as potentially difficult, such as IPR, are referred to ERI at the earliest possible moment.
Memorandum of understanding

Any formal Memorandum of Understanding governing such arrangements will need to be formally signed off by the University Secretary and approved by ERI with respect to arrangements for IPR and related areas (similar principles will need to be considered even where a formal MoU is not deemed necessary). It will be important therefore to seek advice from the Director of Planning and ERI as the proposals develop and more generally to have in mind the following kinds of issues from the start of the negotiations:

- Respective responsibilities of each partner including clear indications of which institution is (and is not) taking responsibility for any particular aspect
- Management arrangements for the collaboration (Board, Committee etc; how is the director/head of the venture to be selected on the first and on any subsequent occasions; what delegated powers does such a person have and who do they report to?)
- Points of contact in each institution if difficulties arise which cannot be dealt with by the appropriate people at HoS level. This should be the appropriate HoC at Edinburgh and the nearest parallel person in other HEIs. Provision should be made for escalation to Principal level if problems remain
- Financial arrangements including signing off of grant, allocation of ‘overhead’ income between partners institutions etc (TRAC will help here in due course, but problems may arise if different HEIs are at different stages in TRAC implementation)
- Arrangements for identifying and meeting costs associated with the activity including the all indirect costs that may arise (again TRAC will help here)
- Who employs which staff, what are their reporting lines, how are they appraised etc
- Arrangements for IP
- Sharing of information: what information must each institution provide to the other?
- Arrangements for periodic review of the agreement, modifying it and terminating it

A set of more detailed arrangements, analogous to those that we use to vet new cross-school centres in UoE, is likely to be needed where a ‘Centre’ or some other formal body is set up to oversee or incorporate aspects of the activity; these include:

**Head of the Centre**

- the person’s title (e.g. director, head, convener, etc.)
- the appointment process for the head, including a decision on where authority lies for appointing the head
- the period of appointment
- the manner of identification/appointment of a successor
- to whom the head of the Centre reports and the frequency of reporting
- the duties and responsibilities of the head of the Centre
- the terms of the secondment of the head, if appropriate, including financial, teaching or other credit from the head’s own department
- whether, exceptionally, the head should be remunerated during his/her period of office.
Staff working in the Centre

- where authority lies for determining how any staff additional may be recruited, and for how long a period, and to which HEI they will be allocated
- the method by which staff may be identified for any secondment and the period of secondment/appointment and whether – and if so by whom – this may be extended
- the terms of any secondments from schools, including financial, teaching or other credit from the staffs’ departments

Physical Aspects of the Centre

- what if any resources are to be allocated, in terms of space, including whether or not this is time-limited
- what if any equipment will be transferred, and what amount of equipment budget, if any, will be made available – by which School/College.

Financial Aspects of the Centre’s Management

- what if any budget will be given to the head of the Centre, and what financial responsibility and duties
- to which Head of School in UoE the Centre should report and the frequency; responsibility for monitoring, etc
- the terms on which those working in the body may apply for and receive external funds and how (if at all) these are to be credited to it and accounted for by it back to the individual HEIs.

Teaching and Research Aspects of the Centre’s Management

- where a Centre has responsibility for PG teaching, issues of student load credit and how it is to be divided between or obtained from participating bodies
- what approval mechanisms may be needed for approving and resourcing any courses and for admitting or allocating (where relevant) the students to them.

Quality Management of the Centre

- agreement on whether/how the activities of the Centre should be included in a College’s Quality Assurance Committee and structures, regular teaching programme review, etc
- production of a brief annual report to the Head of School.

M. Anderson
12 February 2004

Endorsed by Central Management Group, 17th February 2004