

TRANSPARENCY REVIEW – WHAT WAS THE POINT?

The requirement to complete time allocation schedules during the year to 31st July 2002 and submit these to the Finance Office is now just a dim and distant memory for most Academic staff. Some felt it a waste of time or intrusive or of no benefit to them. Many are wondering – what was the point of Transparency Review?

Completion of those time allocation schedules, together with a great deal of other data collection, enabled The University of Glasgow to comply with the SHEFC requirements. We had to submit information to SHEFC allocating our expenditure across the areas of Teaching, Research and Other activities. This data, as submitted by the whole HEI sector, has provided evidence to support the widely held belief that Research is significantly under-funded. Importantly the submission of Transparency Review data also demonstrated the willingness of the sector to respond to change.

The summarised sector wide information has been used as follows:

- ***Influencing policy*** – Acceptance by the OST and Treasury of the TR methodology have resulted in this information having a major input to the 2002 Spending Review.
- ***Extra funding for Research*** – TR spawned additional studies, all of which demonstrated the need for additional funding. Following the 2002 Spending Review, increased funding has been allocated to HE. Much of this is in support of research. There is also additional capital for teaching facilities. In all, this amounts to more than £3 billion extra over the next three years. The Transparency Review was a major factor in achieving this release.
- ***Contributing full costs*** – As Government has accepted TR so they have also accepted that Government departments have been commissioning research at less than full cost. TR data is an important lever in assisting the sector to address this. The Joint Costing and Pricing Steering Group, and the sector as a whole, will continue to lobby EU to accept full costing using TR methodology although this will be for Framework 7 at the earliest.

The sector has used the information thus:

- ***Pricing decisions*** – Once you are aware of the actual cost of an activity it allows a better pricing mechanism. Market price is the price the market will bear, often this bears little relation to the cost of the activity – this is the case for a significant amount of research. Better knowledge of how much it costs allows better negotiation of cost recovery.
- ***Management informed decision-making*** - Where costs are not covered but the work has other, non-financial merits, it allows informed management decisions to be made about the consequences of supporting one area of work as opposed to another.

There is still scope to identify how best to utilise information for the benefit of each Institution e.g. for pricing, costing and resource allocation so work is still on going.

The proof of significant under funding is a factor in the proposed reforms of the Dual Support mechanism, however this comes at a price; more information. Universities will need to understand and identify the costs of each research project that is undertaken in order to justify the additional funding available.

Transparency review data is returned annually and will be refined to address the requirements of Dual Support, so when you are asked to provide more information on time allocation or occupation of space please remember What was the point? To release more funding, and thus enable more sustainable research.