

Achieving a Well-Resourced Research Environment: Dual Support Review – The Proposals

The first Newsletter article in this series in December 03 on “How Research is Funded” included a description of the Dual Support system, in which university research is supported from Funding Council and Research Council streams of funding.

During 2003, the Government (through OST) consulted on the Sustainability of University Research, and in particular how the funding method used by the Research Councils might be changed. The consultation document and the University’s response can be found at <http://www.gla.ac.uk/R-E/pub/reports/consult/index.html>.

The core of the proposals is that the Research Councils should fund projects on the basis of a certain percentage of the Full Economic Cost (FEC) of the project. The FEC of a project is the sum of all costs (direct and indirect) attributed to an activity, together with an additional charge to support the long term sustainability of University operations. Dual Support Reform is a powerful driver for the need to understand the FEC of projects, but this should not be viewed in isolation. At the same time, we have a Government requirement under the “Transparency Review Approach to Costing III” to be able to apportion FEC to all activities. This leads to some quite fundamental changes in our systems and processes, and challenges the way we work, make decisions, and manage our research as a whole. This is not surprising, as the Government wishes universities to manage themselves in a more sustainable way than has been and is currently the case. The key elements of the changes are: full economic costing; strategic management of research; and better prices paid by funders.

The formal Government decision in response to the consultation has not yet been published, but is expected during March. However, in late November, a joint Ministerial statement indicated that the intention was to go ahead with the proposals, but to delay their full implementation by a year.

The main changes / issues are:

- i) Estimating and charging for academic staff time spent on research projects. The aim is to achieve this without using full timesheets. However, it will be necessary to modify and extend the Transparency Review time data collection.
- ii) Identifying more costs as “directs” rather than as “indirects” and charging them to projects. In particular, this will include space and related costs, and major facilities, such as animal houses.
- iii) A more robust treatment of indirect costs and their allocation to projects.
- iv) External quality assurance of the institutional mechanisms.

The Research Councils will also be changing their application processes. By the summer of 2005, they will have to have developed their new application form (which will also be an opportunity to bring all of the Councils into the Je-S electronic application system).

A (large!) guidance manual has just been issued, to help us change our systems. It includes details of the minimum requirements, as well as guidance on best practice. We will need to make the changes if we are to be able to apply for Research Council projects from September 2005, hence this is somewhat important!

More information on the requirements, and on our developments to meet them, can be found on a new set of web pages, at <http://www.gla.ac.uk/fulleconomiccost/index.htm>. The next article in this series will discuss full economic costing in more detail, to illustrate the operational effects.

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