

## **Note from Workshop 25 July 2007 - Consultation on Future PSRE Funding**

Partnerships UK hosted a workshop on a possible future round of the Public Sector Research Exploitation fund on 25 July. During this workshop the Department for Innovation, Universities and Skills (DIUS) explained that arrangements for the next round of the PSRE fund will depend on the allocation of budgets from the Comprehensive Spending Review Settlement. It is, however, DIUS' intention is that any future round would broadly follow a similar structure and use the same assessment criteria as PSRE3, with two changes:

- a requirement for those Public Sector Research Establishments which have been successful in all three previous rounds of the fund to secure part of their funding from other sources (this proposal was discussed with the community as part of last year's consultation); and
- an increased emphasis on bidders demonstrating the economic impact of their work.

Draft guidelines and application forms which reflect these changes were discussed at the workshop.

There was a wide ranging discussion of these guidelines and a variety of comments were received which DIUS will take into account as it develops the guidelines and application form. There were a number of queries raised on where we think it is possible and helpful to provide immediate advice.

On the co-funding requirement, we emphasise that although all bidders are encouraged to secure co-funding, the co-funding requirement is only mandatory for bids which are both

- made under the capacity building component of the fund (which is described in sections 2.1 to 2.4 of the draft guidelines); **and**
- are made by those Public Sector Research Establishments, or a consortium which includes a Public Sector Research Establishment, which have been successful in the capacity building component of all three previous rounds of the PSRE fund<sup>1</sup>. Such bids would be required to find 25% co-funding from sources other than the PSRE fund.

We noted that many of the attendees wanted advice on how economic impact should be described. To help Public Sector Research Establishments in this area we will be publishing on the PUK website some of the case studies of economic impact developed from the workshop earlier in the year.

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<sup>1</sup> These PSREs are Liverpool Conservation Centre, NHS Innovations London, NHS Innovations North, NHS Innovations North West, NHS Innovations Yorkshire and Humber, Plant Bioscience Limited, Science and Technology Facilities Council.

There are a number of other points raised at the workshop.

### **Co funding**

- DIUS emphasised that many Public Sector Research Establishments are already receiving considerable co funding from other sources – so for many of them the co funding requirement would simply involve them identifying funding streams which were already in place. However, to be claimed as co funding any monies must be spent over the period of time covered by the bid;
- It was noted that it would be potentially difficult to predict income streams for future years and therefore to use them as a source of co-funding. Therefore Public Sector Research Establishments might prefer (if they had the funds available) to count income generated in earlier years but “reinvested” in the PSRE fund project during the period covered by the bid as co funding,
- Public Sector Research Establishments would not need to include “letters of intent” from organisations who were providing co funding as part of the bid submitted to DIUS, but should have these available in case the advisory board wished to see them

### **Contributions in kind**

Where staff time is used as a contribution in kind, the value should be calculated on the basis of staff salaries (or the costs of replacing the member of staff released to work on the PSRE project) not charge out rates.

### **Proof of concept fund**

There were no constraints on the size of Proof of Concept funds included as part of capacity fund bids, but such bids should fit within the guidelines on the total size of bids for capacity fund bids (see section 2.3 of the draft guidelines).

Please note that the material in this note is for advisory purposes only and does not supersede any material in either the guidelines or application forms which will be issued as part of any future round of the PSRE fund.

There were a variety of other questions and comments made on the guidelines and application forms which DIUS will consider as it continues work to prepare for a possible future round of the fund. We would welcome any additional comments on the guidelines and application forms – these can be sent to *Dr Michele Hill-Perkins at Partnerships UK* [michele.hill-perkins@partnershipsuk.org.uk](mailto:michele.hill-perkins@partnershipsuk.org.uk) and should ideally arrive by the end of August.