



UK Research Partnership Investment Fund

2020-21

This document sets out the arrangements for the additional allocation of research capital funding for higher education institutions in 2020-21. It provides guidance on both stages of the competition (expressions of interest and full bid) and invites institutions with a significant track record of research excellence to submit expressions of interest for the capital grants on a competitive basis.

The deadline for submitting an Expression of Interest has now closed. All institutions invited to submit to stage two have been notified. Bids should be emailed to researchpartnership@re.ukri.org by **noon Monday 1 October**.

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UK Research Partnership Investment Fund:

2020-21

To	Heads of higher education institutions funded by the four UK funding bodies
Of interest to those responsible for	Senior management, Research, Finance, Estates
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Executive summary

Purpose

1. This document sets out the arrangements for a sixth round of the UK Research Partnership Investment Fund (UKRPIF) in 2020-21. This is a two-stage process. We are inviting higher education institutions (HEIs) and eligible research institutes with a significant track record of research excellence to submit expressions of interest (EOIs) to apply for the capital grant on a competitive basis. Successful bidders at the expression of interest stage will subsequently be invited to submit a full bid.
2. This competition will follow the same rigorous assessment process established in previous rounds of the competition. The independent assessment panel will assess all expressions of interest supported by clear advice from the relevant UK higher education funding body, Research Council and government department if appropriate. UKRPIF is currently managed by Research England (formerly HEFCE) on behalf of the Department for Business, Energy and Industrial Strategy and the UK funding bodies.
3. Following the passage of the Higher Education and Research Act, the current research and knowledge exchange functions of HEFCE will form a new organisation, Research England. From April 2018, Research England will be established as one of nine Councils within UK Research and Innovation. Responsibility for managing the UKRPIF programme will transfer to Research England from this date.

Key points

4. The Government has allocated £900 million to UKRPIF from 2012 up to 2021. So far, £680 million has been allocated to 43 projects across the UK in five rounds of the competition. £220 million remains available for allocation in round six. This invitation relates to that funding, which will be available in the financial year 2020-21.
5. This guidance covers both stages of the process – expressions of interest (including the initial notice of intention to submit an EOI) and the full bid submission. Annex A of this guidance is an EOI template that institutions wishing to bid in this competition must submit to HEFCE. Institutions that are successful at the EOI stage will be invited to submit a full bid and will be provided with a full bid submission template.

Action required

6. For planning purposes, HEIs are invited to inform the UKRPIF team at HEFCE of their intention to submit an EOI by emailing researchpartnership@re.ukri.org by noon on Friday 10 November 2017. You should provide an indication of the likely

title of the project, the level of UKRPIF funds you will be requesting and the broad discipline area or areas for the project.

7. HEIs should then submit their EOI using the template at Annex A by noon on Friday 12 January 2018. Email researchpartnership@re.ukri.org for any queries regarding your bid or how to apply.
8. Institutions should ensure they will be able to meet the requirements for the fund outlined in this document before preparing to submit an EOI. Exceptionally, projects that do not meet the required levels of UKRPIF investment may be considered where it can be shown that they meet the objectives of the fund and the requirement for double matched funding co-investment, and that they extend the reach of the UKRPIF scheme beyond the balance of sectors and disciplines it has funded so far.
9. At the EOI stage, multiple bids (up to three per HEI) are permitted. Collaborative bids which bring together collective capability and resource are particularly welcome, provided the lead HEI meets the criteria for scale and quality of research. Each HEI is invited to make an additional collaborative bid beyond the total of three bids permitted for individual HEIs. A collaborative proposal should be for a coherent project across the partners, rather than a series of smaller unconnected projects.
10. At any point, potential bidders may ask about the criteria (including potential co investment arrangements), but no feedback can be given on the relative strength of their bid. The panel will take an independent decision on the quality of the bids as outlined in this document.

Introduction

11. The UK Research Partnership Investment Fund (UKRPIF) was established in the 2012 Budget. Since then HEFCE has allocated over £680 million to 43 projects running from 2014 to 2020 through five rounds of UKRPIF, attracting £1.65 billion of additional investment from business, charities and philanthropic partners. A further £220 million is available for funding in round six of the competition.
12. The funding is dedicated to supporting large-scale capital projects from higher education institutions (HEIs) with a significant track record of research excellence, provided that they secure at least a 2:1 co-investment match from businesses, charities or endowments (individual philanthropy). This investment will be anchored in research activities, but could also benefit other areas of university activity.
13. UKRPIF is available to all UK HEIs. It helps to deliver key Government's industrial strategy priorities, in particular investing in science, research and innovation, developing a more innovative economy and supporting the commercialisation of our world-leading science base to drive growth across the UK¹. The objectives of the fund are to:
 - enhance the research facilities of HEIs undertaking world-leading research
 - encourage strategic partnerships between HEIs and other organisations active in research
 - stimulate additional investment in higher education research
 - strengthen the contribution of the research base to economic growth.
14. This is a UK-wide scheme, with funding from the Department for Business, Energy and Industrial Strategy (BEIS) distributed by the Higher Education Funding Council for England (HEFCE). HEIs in Scotland, Wales and Northern Ireland that are interested in participating in the initiative should apply directly to HEFCE. Following the passage of the Higher Education and Research Act, the current research and knowledge exchange functions of HEFCE will form a new organisation, Research England. From 1 April 2018, Research England will be established as one of nine Councils within UK Research and Innovation (UKRI). Responsibility for the programme will transfer to Research England from this date².
15. The terms of this guidance and any funding award may be updated to reflect any future changes in the funding and regulatory landscape resulting from the transition to Research England or the UK's withdrawal from the European Union (EU).

Funding and eligibility

16. Under UKRPIF, capital funding of between £10 million and £50 million is available for any individual project over the financial year April 2020 to March 2021 (with the exceptions noted in paragraph 23).

¹ See 'Building our Industrial Strategy', available at <https://www.gov.uk/government/consultations/building-our-industrial-strategy>

² See <http://www.legislation.gov.uk/ukpga/2017/29/contents/enacted/data.htm>

17. Funding is available to all UK HEIs eligible for research funding from HEFCE (in future, Research England), the Scottish Funding Council (SFC), the Higher Education Funding Council for Wales (HEFCW) or the Department for the Economy in Northern Ireland (DfE). To address key social challenges where relevant expertise is not available in the higher education research base, it is also available to those institutes that receive core funding from the science budget and are wholly owned by the Research Councils, and to the UK Atomic Energy Authority (a non-departmental public body funded by BEIS from the science budget), although only in partnership with a lead HEI.
18. Funding will be allocated on the basis that HEIs have secured at least double matched funding from co-investment sources. This means that, for every pound from UKRPIF, there should be at least an additional £2 invested from private sources. With £220 million available, we are therefore looking to support between five and 22 projects that, with double matched funding, would attract at least £440 million of investment in research infrastructure. We expect coinvestors to share the risk in the success of the proposed research development. Loans from private sources and funding from the public sector will not qualify as co-investment.
19. Funding is available on a competitive basis. The application and assessment process will be in two stages:
 - a. **Expression of Interest:** Submission by HEIs of expressions of interest, which will be assessed by an independent panel. Successful institutions will proceed to full bid stage. Prior to submitting an expression of interest, an institution must have notified HEFCE of its intention to do so.
 - b. **Full bid:** Submission and assessment of full project proposals. These will also be assessed by an independent panel, which will make recommendations to the appropriate governance level in UKRI on the award of grants to lead institutions.

How funds can be used

20. The funding will support the development of the physical infrastructure and equipment of HEIs undertaking high-quality research, either through strategic partnerships with co investors or through donations made to the institutions. This funding might support partnerships between institutions, or between HEIs and other public and private organisations, including sharing buildings or equipment, or establishing a new research campus. The bulk of the funding is likely to be allocated to projects that deliver new buildings, major refurbishment of existing facilities, or the purchase of high-cost equipment.
21. Funds should be managed in accordance with the guidance set out in this document and with the overarching principles for managing public funds set out in HM Treasury's guidance on 'Managing public money'³. Successful projects will be subject to monitoring and audit by HEFCE or the relevant UK funding body.

³ Available online at <https://www.gov.uk/government/publications/managing-public-money>

What makes a successful bid

22. All bids must meet the key eligibility criteria set out in paragraphs 16 to 18. Beyond this, the panel is likely to favour bids which are clear on the following:

- how the proposed facilities will strengthen future research, including developing research collaborations and collaborations with users of research to support innovation and growth
- the benefit from the project to the private partners
- genuine leverage of co-investment in the first five years (as well as any over a longer period of time) especially where additionality can be demonstrated
- the additional value added by the co-investment to the overarching research initiative, particularly where investment is pre-existing
- the public benefits of research and broader activities arising from the development
- the fit with other national developments or strategic objectives, such as the Industrial Strategy and Productivity Plan⁴.

23. The panel will take the balance of sectors and disciplines into consideration, recognising the spread of successful bids in the previous five rounds of UKRPIF. Bids which extend the reach of the fund will be particularly welcomed. Exceptionally, projects that do not meet the required lower limit for UKRPIF investment may be considered by the panel, if it can be shown that they meet the objectives of the fund and would extend its reach beyond the balance of sectors and disciplines achieved so far.

24. All bids must set out a clear and robust case for investment. Business cases for higher levels of investment will need fully to justify these levels of funding and will be subject to appropriately increased scrutiny.

Assessment panel

25. HEFCE (from 1 April 2018, Research England) will ensure a fair assessment process. An independent assessment panel chaired by Peter Saraga (a former Vice-President of the Royal Academy of Engineering and a former HEFCE Board member) will assess the bids. HEFCE (Research England) will provide information to the panel to help inform its decisions: this may include information provided to HEFCE (Research England) by another organisation, such as a Research Council, Innovate UK or a relevant government department. The assessment panel will make recommendations to the HEFCE Executive at the expression of interest (EOI) stage and later to the appropriate governance level in UKRI to support the projects that will make best use of public funding. To do this, the panel will:

- ensure the requirements for the fund have been met by the projects being recommended
- judge the relative strengths of each bid against the criteria
- take into account wider factors.

⁴ See <https://www.gov.uk/government/publications/fixing-the-foundations-creating-a-more-prosperous-nation>

These requirements, criteria and factors are outlined below.

EOI panel assessment

26. At EOI stage, HEFCE officers will review each EOI and determine whether the three key criteria (research excellence, co-investment and value for money) have been met or are likely to be met at full bid stage. As further detailed in paragraph 34.c.ii, we require letters of intent or interest from co-investors. While co-investors may not be willing to make a full or binding commitment to the project at this stage, their letters should provide sufficient evidence of their interest to invest in the project.
27. The panel will consider all EOIs, and assure itself that any to be discounted on the basis of not meeting requirements have been discounted reasonably. The panel will shortlist those they think have a chance of being successful at full bid stage (taking into account all EOIs received and the funds available).
28. At EOI stage, the assessment panel will recommend shortlisted projects to the HEFCE Executive.

Full bid panel assessment

29. Following the panel meeting at EOI stage, shortlisted institutions will be invited to submit full project proposals. Reflecting the timetable for this competition, these invitations will be made by Research England. Templates and accompanying guidance notes to be used for submitting full project proposals will be issued at that point. At full bid stage, management of UKRPIF will have transferred to Research England, and the assessment panel will make recommendations to the appropriate governance level in UKRI.
30. At full bid stage, each project should be the same in essence as indicated in the EOI. The nature of co-investment may vary to take account of any changes since stage one, but any significant variation in the nature or level of funds requested (exceeding 10 per cent of the value originally requested) must be agreed by Research England's UKRPIF secretariat before the bid submission. This will include instances where the panel has indicated, at EOI stage, that the funding request should be adjusted. The amount of funding requested must remain between the minimum and maximum funding parameters for the initiative.
31. At full bid stage, if necessary, the assessment panel may recommend declining some bids, reducing the funding allocations to individual projects, or making pro rata reductions across all projects. Research England will explore with the relevant institutions the viability of projects where the funding applied for cannot be provided in full.

Requirements for the UKRPIF project bids

32. The requirements that project bids need to meet are as follows:
 - a. Bids must apply for UKRPIF funding of between £10 million and £50 million (with the exceptions noted in paragraph 23).

- i. Awards from UKRPIF must be spent on services and goods received by 31 March 2021.
 - ii. UKRPIF funding must be capital in nature.
 - b. Co-investment from private sources must be at least twice the amount of UKRPIF funding applied for. There must be evidence that co-investment commitments are in place before the project begins, and that it relates directly to the project. Co-investment must align with the guidance on the nature and security of co-investment at paragraphs 42 to 49.
 - c. Universities must have a significant scale of research, and a track record of research excellence.
 - i. We wish to invest in institutions (and collaborations between institutions) that have a strong record of research excellence at a significant scale in the field of the proposed activity outlined in the bid.
 - ii. We want HEIs to provide the most recent and relevant appropriate evidence of research excellence. Proposals should provide evidence of research excellence at the level of the departments or Research Excellence Framework Units of Assessment most closely related to the bid. This should include volume of research activity at 3* level and above (measured as full-time equivalent staff) in the relevant Units of Assessment in the 2014 Research Excellence Framework, but should also include more recent evidence, such as external research income from the most recent Higher Education Statistics Agency (HESA) finance record, Research Council funding, or other funding and awards in relevant disciplines.
 - d. There must be evidence of credible plans to:
 - i. Implement the project successfully and spend all UKRPIF funds by March 2021 – including project management, governance, and arrangements with coinvestors and any partner HEIs.
 - ii. Staff, resource and operate the facility.
 - iii. Monitor and evaluate the success of the project, including measuring and tracking matched funding.
- 33. Where more than one bid is being submitted or an institution is planning to deliver its proposed project alongside existing UKRPIF or other significant capital projects, the panel will consider deliverability. The panel will also consider an institution's track record in delivering previous UKRPIF projects. Institutions will need to provide reassurance that they will be able to manage the successful delivery of the project, including spending the funds during the designated time period. Successful projects in this round will be expected to spend all funds within financial year 2020-21 as HEFCE (Research England) has a fixed annual budget for UKRPIF.

Criteria used for assessing expressions of interest

- 34. The criteria against which the panel will assess EOIs are highlighted in bold as follows (further guidance is provided later in this document and in the EOI templates):

- a. **An outline of the project, including an estimate of its total capital cost and arrangements to meet any additional operating costs.**
 - i. The proposal should demonstrate the extent to which the project will support developments additional to existing activity. The proposed development could be planned in the institution's existing research or estates strategy, or developed in response to this initiative. We do not wish to substitute for other sources of funding already secured, so at full bid stage we will scrutinise the additional benefits that will be gained through the UKRPIF investment for a development that the institution has already planned.
- b. **Amount of funding applied for.** (This must be between £10 million and £50 million with the exceptions noted in paragraph 23).
 - i. Awards from UKRPIF should be used by March 2021.
- c. **The indicative amount and nature of co-investment.** (For all projects this should be at least twice the amount of funding applied for, for example at least £20 million coinvestment in the case of £10 million from UKRPIF.)
 - i. Further guidance on co-investment is provided later in this document (paragraphs 42 to 49) and in the EOI templates.
 - ii. At EOI stage we require a letter of interest or intent from all major co-investors (offering £1 million and above). This should indicate the value of the co-investment, whether it will be in cash or in kind, and the potential profile of the co-investment. At full bid stage, the panel will need firm evidence of all co-investment.
- d. **Evidence of significant scale of research, and track record of research excellence.**
 - i. Further guidance on demonstrating research excellence is provided in paragraphs 39 to 41 and in the bidding templates.
- e. **An indicative plan that shows delivery of the facilities.**
 - i. The plan should indicate the broad profile of funding from UKRPIF and coinvestors.

Criteria against which bids will be scored and ranked in full bid assessment

35. Full bids will need to present a clear case for public investment in research facilities, including clearly defined objectives for their use, linked to outputs and outcomes. Institutions should demonstrate credible plans for the development and operational phases, including governance arrangements.
36. The criteria against which bids will be scored and ranked are as follows:
 - a. Research excellence: Evidence of how the UKRPIF investment will lead to developments that build on the research excellence of the institution or institutions, including the extent to which the project will support the development of researchers for the future.
 - b. Co-investment:

- i. Evidence that clear, confirmed funding agreements from co-investors are in place and clearly linked to the proposed development, and a clear explanation of the terms and conditions of the contribution.
 - ii. Scale, timing and nature of the co-investment funding relative to public investment, and to institutions' own contributions.
 - iii. The extent to which any co-investment supporting research activity is additional funding, specific to both the project and institution. Co-investment used to support other funding proposals or bids with other agencies should not be included.
 - c. Value for money:
 - i. Evidence that the project will contribute towards the objectives of the fund.
 - ii. Evidence that the requested UKRPIF investment will support additional activity, leading to public benefit, in keeping with the scale of the investment sought.
 - iii. Evidence that the development will be sustained: either as a research collaboration with the co-investors; or as world-leading research, in the HEI or through collaborations with other research organisations and national and international users of research.
 - iv. Evidence of the long-term return on investment, through either stimulating additional investment or income to support or improve the quality of the underpinning research.
 - v. Evidence that the project activity is new and innovative, and that it will generate new kinds of translation activity that will be of value for the UK economy and society.

Wider factors to inform assessment and ranking decisions

37. In addition to the named criteria above, the assessment panel will consider of a number of wider factors in its decisions. These are as follows:
- a. The extent to which projects are aligned with broader government strategy, for example large-scale projects which act in the strategic national interest across disciplines, address social challenges or both, or which support productivity and innovation in established or emerging sectors. The panel will be particularly interested understanding the extent to which projects fit with the Industrial Strategy priorities⁵, for example through improving the translation of research into commercial outcomes (this includes generating a pipeline of ideas that can be commercialised and developing mechanisms to facilitate their effective translation). Equally the panel will be interested to understand the extent to which a project fits with other national developments or strategic objectives. The panel will also consider the fit with previously funded UKRPIF projects.
 - b. The panel will also welcome projects which extend the diversity of disciplines and industrial sectors supported in the previous rounds of

⁵ See 'Building our Industrial Strategy'

UKRPIF, where significant benefit would arise and where funding is not available through other alternative approaches. Exceptionally, projects of this nature that do not meet the lower limit for UKRPIF investment of £10 million (£30 million including co-investment) may be considered, although double matched private funding will still be required.

- c. The extent to which bids demonstrate they are attracting brand new streams of income into universities as co-investment, which they would not be able to attract without UKRPIF funding and which would not be available to them through alternative sources.
 - d. The extent to which projects represent collaborations between HEIs and other research partners (in particular at the local level), which build on collective research strengths, engage with local businesses (particularly small and medium-sized enterprises), and might seek to exploit and develop an area's global comparative advantage. The panel will welcome projects that support through such collaborations the objective of driving growth across the whole country and identify emerging areas of excellence and opportunity and recognise the potential for local growth, for example linking to the science and innovation audits⁶.
38. At full bid stage, the assessment panel will give all three criteria (research excellence, coinvestment and value for money) equal weighting, and will include consideration of the wider factors alongside these criteria.

Detailed guidance on key areas

Research excellence

39. The panel will examine evidence of how the UKRPIF investment will lead to developments that build on the research excellence of the institution or institutions, including the extent to which the project will support the development of researchers for the future. This is not limited to the results of the Research Excellence Framework 2014, but should be supplemented by more recent evidence.
40. The panel will also examine evidence on how the proposed facilities will lead to excellent research. Institutions will need to show how the facilities being financed from UKRPIF will:
- strengthen the institution's research in the disciplines related to the bid
 - enhance strategic partnerships with other HEIs and organisations active in research
 - lead to new research outputs at national and international levels
 - develop a pipeline of talent for an innovative economy
 - provide public benefit in relation to research, and any wider benefits.
41. Bids will need to demonstrate why the institution or collaboration is best placed to undertake the research activity at a national level and how the proposed research

⁶ See <https://www.gov.uk/government/speeches/one-nation-science>

fits within the national strategic context for research in this area, in addressing scientific grand challenges on a national or even international scale. Where similar facilities exist, the bid must demonstrate how the development will complement rather than duplicate their research activity.

Co-investment

42. The matched funding requirement is a condition of funding. This will be assessed in detail and monitored for the lifecycle of the project. Projects that do not secure double matched coinvestment will not be funded. If the co-investment commitment falls below this level after a project receives a UKRPIF award, funding may be withdrawn or financial penalties imposed. The co-investment requirements are as follows:
- a. Institutions must present evidence that clear, confirmed funding agreements from coinvestors are in place and clearly linked to the proposed project rather than being part of a broader development. The bid should explain the terms and conditions of the contribution. This should detail the relationship between the HEI and co-investor, the nature of the agreement and the anticipated benefits from their involvement in the proposed development.
 - b. Co-investment funding can be of a capital or recurrent grant nature or a combination of the two, and the profile of the commitment from the co-investor can be over a longer period than the grant from UKRPIF. Bids should demonstrate the long-term sustainability of projects, and of co-investment sources. In considering the security of the co investment, the panel will look at the scale, timing and nature of the co-investment funding relative to public investment, to institutions' own contributions and to other bids.
 - c. Co-investment funding can be an existing commitment to the institution, provided that it is either not yet paid or paid and not yet used (as in the case of donations). Recurrent grant funding for existing or ongoing research activity, while eligible, will not be favoured as strongly as other forms of new co-investment. The bid must **explicitly demonstrate the additional value** achieved by linking such funding to both the proposed research development and the UKRPIF funding, beyond what would have been achieved without the UKRPIF investment. This will include considering whether any recurrent funding is additional to the baseline funding already received by the institution from a given co-investor.
 - d. Recurrent funding **will only be eligible** from the point at which the research activity of the proposed development is underway and not before this date, which must be clearly identified in the bid. If a proportionately small amount has been allocated to enabling works in advance of the development becoming operational, this will also be eligible as coinvestment.
 - e. Loans, rental income and future revenue streams (and other forms of financing where the return to the investor is not dependent on the success of the research project) will not qualify as co-investment. Where investment will require new borrowing, this should be made clear and detailed within the submission.

- f. Co-investment funding should be sourced from outside the EU public sector⁷, which we define as including any EU-based contracting authority (for the purposes of the procurement regulations). An HEI's own subsidiary organisations are not permitted as coinvestors for the purposes of UKRPIF. We envisage that co-investors will typically be companies, charities and individuals. Contributions that do not count as co-investment (such as EU funding and the bidding institution's own funds) will be taken into account at stage two, to inform judgements on affordability and value for money. For clarity, contributions from the following sources will not be accepted as co-investment:
- i. EU funding.
 - ii. The NHS, including private finance initiative funding to hospital trusts.
 - iii. Local authorities.
 - iv. An HEI or its trading subsidiary organisations (but donations to the HEI held as endowment funds are eligible, provided there is evidence of the source of funds).
 - v. Any co-investment that the panel might consider to be a loan.

Recurrent co-investment

43. Where the co-investment is recurrent and funds research activity, bids must provide information on the nature of the research to be supported and how it will deliver public benefit. If the co-investment is an existing funding stream, it is important to show how the UKRPIF funding will deliver additional value to the development beyond what would have happened without it. It is also important to demonstrate that linking recurrent funding for existing research activity to this project will not divert funds from important research activity elsewhere (See paragraphs 42.c and 42.d for further detail on eligibility).

Contributions in kind

44. Contributions in kind are permitted as co-investment funding. Where they are included as co-investment, it is essential that proposals demonstrate clearly how such contributions will add value to the project. Proposals must demonstrate how the financial value of contributions in kind has been calculated and how the lead HEI will evidence, measure and track this co-investment across the period of the contribution. This will be assessed in detail at full bid stage. For successful bids, this will need to be reported as part of the UKRPIF monitoring and assurance process. We expect institutions to work with their co-investors in presenting a detailed and robust methodology for valuing in kind contributions. We have provided an example methodology in Annex B, which bidders are welcome to follow or modify.
45. Contributions in kind should have a present value that can be audited against source documents, and must not be an assessment of future revenue streams. Examples of contributions in kind might include land, buildings and equipment. Co-investment which is presented as a supplier discount may be judged as ineligible,

⁷ If the detail of the withdrawal of the UK from the EU becomes clearer prior to inviting full bids from the senders of successful EOIs, guidance on contributions from the EU public sector may be revised.

unless clear evidence is available of a further discount over the best price available and achieved in the market. Where coinvestment in kind takes the form of staff resource, evidence must be presented to demonstrate that a robust valuation has been made and that clear plans are in place to track this contribution.

46. Additionally, where contributions in kind are used, bids will need to present a robust framework under which they propose to work to monitor their receipt for the lifetime of the coinvestment.

Leases

47. The lease of land, buildings or part of a building is allowed as a contribution in kind with certain caveats. It is not possible to be prescriptive about the conditions under which leases are acceptable, so where they are proposed, HEFCE (Research England) and the panel will assess their acceptability on a case-by-case basis. Institutions will need to present a strong justification for this form of co-investment and should contact the UKRPIF team prior to their submission to discuss this.

Guiding principles on co-investment

48. The guiding principles when deciding the eligibility of coinvestment are:
- a. The co-investment should represent or encourage genuine strategic partnerships or research collaborations that tackle research challenges of strategic national interest across disciplines. The outputs of this research should serve the public interest.
 - b. Co-investment should be used to achieve the research objectives of the bid and benefit the project clearly and directly.
49. HEFCE (Research England) and its partner UK funding bodies reserve the right to scrutinise the co-investment set out in the bids at any time. We may use the period between funding announcements and start of the funding period to undertake further assurance activity. Please note that we may seek input from BEIS or independent advisors during this process.

Collaboration, including joint ventures and ownership arrangements

50. Collaboration with industry can occur in many forms. Joint ventures or joint ownership of facilities, for example, can cement a relationship and provide evidence of the strength of a collaboration. However, where public capital funding is being invested, the funded infrastructure or equipment should remain public or open for public use. We expect successful UKRPIF projects to consider the principles of open research in their research environment, including efforts to demonstrate that:
- a. Where possible, research outputs arising from publicly funded research in the UK are widely and freely accessible as soon as possible after they are published.

- b. Open access to research data is embedded in research practice. This is considered to be an enabler of high-quality research, with the potential to facilitate innovation and safeguard good practice.
51. The panel will examine in particular detail proposals involving such collaborations, to ensure the institution and ultimately the public benefit from public investment through the research undertaken using this infrastructure or equipment. As such arrangements can also have state aid implications, institutions should ensure these arrangements do not contravene state aid legislation (see paragraphs 56 and 57). The panel will consider the extent and depth of collaboration encouraging the take-up and application of research among users. This includes risk-sharing, longevity of collaborations, shared objectives and outcomes.

The assessment process

52. EOIs will be considered by a range of experts within HEFCE. Full bids will be considered by a range of experts within Research England and, where necessary, other governmental partners such as the relevant higher education funding body, government department or Research Council and Innovate UK. Bids will be reviewed to provide expert advice on specific disciplinary or technical areas, and to determine the following:
 - whether the lead institution has met the eligibility criteria described in the guidance
 - whether the bid contains all the information requested in the guidance
 - whether the documentation raises any queries that need to be addressed before the panel can agree its assessment.
53. HEFCE (Research England) will prepare comments on the bids to guide the assessment panel in its deliberations. Currently, membership of the assessment panel is as follows:
 - Peter Saraga (Chair), former HEFCE Board member, former Vice-President of the Royal Academy of Engineering and former Head of Philips Research Laboratories
 - Kevin Moore, Managing Director, Business Therapies Ltd
 - Sir John Pethica, Professor of Physics at Trinity College, Dublin and former Physical Secretary and Vice President, the Royal Society
 - Liz Fellman, Associate Director, Natural Environment Research Council
 - Dame Janet Finch, Honorary Professor of Sociology, Manchester University
 - Declan Mulkeen, Chief of Strategy, Medical Research Council

Requirements and processes following award

Payment of funds and profile of co-investment funding

54. We will pay capital grants in the financial year 2020-21, during which the bulk of project expenditure should take place. Payment of grant funding will be made in accordance with the principles laid out in HM Treasury's 'Managing public money'

guidance, and aligned to the profile of project expenditure that we agree with each HEI. Where project expenditure is likely to be novel, contentious, or made in advance of value being received, the UKRPIF team should be consulted beforehand. Institutions may be asked to provide evidence supporting expenditure profiles prior to grant payments being made.

55. We expect institutions to advise us promptly if the expenditure profile changes significantly for any reason. HEFCE (Research England) cannot guarantee that funding will be available to cover any changes to the spending profile beyond the financial year for which it has been allocated.

Complying with state aid and other relevant legislation

56. Institutions should take into account the need for allocations to be compatible with all existing legislation⁸. Funding will not be given unless sufficiently clear evidence of compliance with state aid rules is provided.
57. We will need to collect additional information on funded projects as part of the awarding process. Heads of institution will be requested to provide evidence and assurance that lead HEIs have identified, considered and addressed any state aid implications of proposals which are recommended for funding in accordance with EU legislation, and have sought legal advice if appropriate⁹. A template and further information will be provided to such institutions for this purpose at full bid stage.

Monitoring and evaluation

58. Research England will monitor the progress of successful UKRPIF projects for English institutions. Institutions will be expected to provide information on the progress of the capital development, on the receipt of co-investment and on compliance with state aid rules. Each of the higher education funding bodies (Research England, HEFCW, SFC and DfE) will carry out its own monitoring process for projects in its respective country, but will report progress to Research England, which will manage strategic risks. Projects may be audited by Research England, or an organisation commissioned by Research England, at any stage. Research England may also seek information from successful projects on an ad hoc basis to inform updates to BEIS and HM Treasury. Each institution will also be required to submit a final evaluative report at the end of the project.
59. Research England will also evaluate the outcomes from the UKRPIF investment in research facilities more generally. As part of this it may require HEIs to carry out an evaluation of outcomes that complies with an overarching evaluative framework or to participate in any evaluations by complying with requests for information, and being prepared to discuss the project with whoever carries out the evaluation.

⁸ A guide about state aid regulations for universities active in research, development and innovation is available at <https://hvcfp.net/wp-content/uploads/2014/07/AURIL-and-PraxisUnico-State-Aid-Guide.pdf>

⁹ Research England's assessment and satisfaction with material provided as evidence of complying with state aid requirements does not constitute any form of legal guarantee.

Charity income (England and Scotland only)

60. Where co-investment is from charities, the higher education funding bodies in England and Scotland will not include this income when calculating the charity support element of research funding, as these bodies' contribution to UKRPIF has already taken sustainability into account. In the annual HESA finance record for 2015-16 onwards, there will be a separate row labelled 'Coinvestment from external sources on funding council-funded projects' on the 'Research grants and contracts' table ('Table 5' for 2015-16) for institutions to report any co-investment from charities under the UKRPIF initiative so that these sums can be deducted by the funding bodies.

Business income (England only)

61. Equally, where co-investment is from businesses, the higher education funding body in England will not include this income when calculating the business element of research funding. Institutions should similarly report co-investment from business under the UKRPIF initiative in the 'Co-investment from external sources on funding council-funded projects' row in Table 5 of the HESA finance record.

Non-charity income (Scotland only)

62. Equally, where co-investment is from non-charity sources, the Scottish Funding Council will not include this income when calculating the non-charity element of research funding. Institutions should similarly report co-investment from non-charity sources under the UKRPIF initiative in the 'Co-investment from external sources on funding council-funded projects' row in Table 5 of the HESA finance record.

Indicative timetable

63. An indicative timetable for the process is as follows:

Activity	Approximate timing
Call for expressions of interest	September 2017
Notification of intent to submit expressions of interest	November 2017
Deadline for expressions of interest	January 2018
Formal invitation to shortlisted projects to submit full bids	Spring 2018
Submission of final bids	Autumn 2018
Final awards announced	Spring or summer 2019

Freedom of information

64. HEFCE is (and Research England will equally be) subject to the Freedom of Information Act 2000, which gives a public right of access to information held by a public authority. This may result in applications, communications between us and the institution, information arising from this work, or the outputs from the work undertaken being subject to disclosure if a valid request is made to us. We will comply with such requests in accordance with the legislation and our own policies.

65. Institutions can, if they wish, provide potentially sensitive information (such as information relating to commercial interests) in a separate annex attached to the application form. This will highlight to us that there are concerns about disclosure. With annexes, the proposal must not exceed the maximum length as stated in the application template.
66. Where we consider it to be appropriate and practicable we will seek the views of applicants before disclosing this information in response to a Freedom of Information request. The applicant acknowledges that information provided in the annex is of indicative value only, and that HEFCE (Research England) may nevertheless be obliged to disclose this information. Our assumption will be that all information in the main application documents can be disclosed on request.
67. Further information about the Freedom of Information Act is available at www.ico.org.uk.

List of abbreviations

BEIS	Department for Business, Energy and Industrial Strategy
DfE	Department for the Economy in Northern Ireland
EOI	Expression of interest
EU	European Union
HEFCE	Higher Education Funding Council for England
HEFCW	Higher Education Funding Council for Wales
HEI	Higher Education Institution
HESA	Higher Education Statistics Agency
SFC	Scottish Funding Council
UKRI	UK Research and Innovation
UKRPIF	United Kingdom Research Partnership Investment Fund

Annex B: Example methodology for calculating contributions in-kind

Type of contribution	Calculations	Comments
Staff support	Daily rate: [daily salary + oncosts (National Insurance + pension) + overhead]	<p>Staff bands: for instance, junior and senior technical, junior and senior manager, director</p> <p>Appropriate overhead rates may be determined by comparison with usual commercial charge-out rates or rates permitted under funding programmes, such as European Union (EU) Horizon 2020.</p>
Equipment donation	<p>Purchase price of equipment less depreciation charged</p> <p>OR</p> <p>Market value of equipment at time of donation</p>	<p>Valuation method:</p> <ol style="list-style-type: none"> Purchase price and depreciation charged must be consistent with the financial statements. Where market value is used, there must be clear, identifiable and auditable evidence of the market value of the equipment at the time of donation.
Equipment: Access to facilities (or time 'leased' to the project)	(purchase price less depreciation charged/365) + daily overhead rate X days' access	<p>Purchase price and depreciation charged must be consistent with the financial statements.</p> <p>Appropriate overhead rates may be determined by comparison with usual commercial charge-out rates or rates permitted under funding programmes, such as EU Horizon 2020.</p>

<p>Software</p>	<p>Market value of software licenses</p> <p>OR</p> <p>Cost of creating software including developers' time, coders' time, and value of intellectual input included in development</p>	<p>a. Where the software has a clear and identifiable market value, this should be used.</p> <p>b. Where software has been developed internally and is not available on the open market, the reasonable cost of creating the software can be used, but this must be supported by clear, identifiable and auditable evidence of the staff time and costs involved.</p>
<p>Data</p>	<p>Market price of data</p> <p>OR</p> <p>Reasonable cost of reproducing the data including costs associated with collecting the data:</p> <ul style="list-style-type: none"> a. Infrastructure costs for collection (servers, networks and similar). b. Infrastructure costs for generating the data (data monitoring infrastructure). c. People time to collect and manage the data. <p>OR</p> <p>Where there is a dedicated data collection and management department: annual costs of data collection and management department X # years' data</p>	<p>Where the software has a clear and identifiable market value, this should be used.</p> <p>If there is no identifiable market price for the data, the reasonable cost of reproducing the data can be included. The costs should be identifiable, auditable and clearly related to the collection and management of the data.</p>

Annex C: Guidance on preparing a bid

1. Please provide all documents relating to your bid in a single email. The email should include the following:

Item 1: One PDF document incorporating the submission and any evidence to support the case (including proof of co-investment. The cover sheet for this is provided as Annex A.

Item 2: Building works and equipment information as a single PDF document. The template is provided as Annex B.

Item 3: Financial information as an Excel spreadsheet (in the three workbooks). The template is provided as Annex C.

Item 4: A completed document checklist, confirming that all necessary elements of the bid have been included. The template is provided as Annex D. Bids with incomplete documentation will be automatically referred back to institutions.

2. The main part of the bid (Item 1) should be no more than 15 pages in length (excluding the proof of co-investment), and the email file size of the whole bid (including all evidence of co-investment, annexes and financial information) should be no greater than 5MB.
3. Annexes A, B, C, and D were provided to institutions when invited to submit a stage two bid.

Guidance on the structure and content of bids

4. You should ensure that the bid includes the cover sheet as provided at Annex A. The main body of the bid should follow the format outlined in the following paragraphs.

Summary

5. Summarise the project, including its intended outcomes, in no more than 300 words. We will publish the text from successful bids on our website when these are announced.

Development of the facilities

6. Outline the proposed development of research facilities. Taking into account the objectives of the UKRPIF initiative, provide the following in relation to the proposed project:

- project objectives;
- key outputs to deliver the objectives;
- clear outcomes against which success will be measured.

The above could be reflected in a table.

7. Show how the proposed development relates to the HEI's plans for research and estates development. The proposed development could be planned in the institution's existing research or estates strategy, or developed in response to this initiative. We do not wish to substitute for other sources of funding already secured. The bid should clarify the following:

- the extent to which the development is new, has brought forward longer-term planning or has increased the scope of previously planned developments;
- whether the proposed project is part of a wider development, and (briefly) how this wider development is being or has been financed;
- how the development would be taken forward if there were no UKRPIF funding, or if you were offered a lower level of funding than you are applying for.

More detailed information on estates issues is required in a later section.

How the facilities will lead to excellent research

8. Show how the facilities being financed from the UKRPIF will:

- strengthen your institution's research in the disciplines related to your bid;
- enhance strategic partnerships with other HEIs and organisations active in research;
- lead to new research outputs at national and international levels;
- provide public benefit in relation to research, and any wider benefits.

9. Demonstrate why the institution or collaboration is best placed to undertake the research activity at a national level. Explain how the proposed research fits within the national strategic picture for research in this area, in addressing scientific grand challenges on a national or even international scale. Where similar facilities exist the bid must demonstrate how the development will complement rather than duplicate their research activity.

10. Where the co-investment is recurrent and funding research activity, your bid must provide information on the nature of the research to be supported and how it will deliver public benefit. If the co-investment is an existing recurrent funding stream, you must show how the UKRPIF funding will deliver additional value to the development beyond what would have happened without it. It is also important to

demonstrate that linking recurrent funding for existing research activity to this project will not divert funds from important research activity elsewhere.

Collaboration

11. In relation to the proposed development, outline the extent and depth of collaboration encouraging the take-up and application of research among users. This could include risk-sharing, longevity of collaborations, shared objectives and outcomes.

Local growth

12. Indicate how the proposed development will contribute to local economic growth. This may be through local collaborations and leverage, including working with local businesses and small and medium-sized enterprises.

Translational activity

13. Provide further information on any translational activity for the proposal. How will its research outputs be translated for wider economic and public benefit? Describe how strategic partnerships, including with co-investors, might support translation. Where possible, be clear about the intellectual property position in relation to co-investment partnerships.

Nature and security of co-investment

14. Summarise the sources and amounts of co-investment. For each co-investor, provide information on the following:
 - a. The relationship between the HEI and each co-investor.
 - b. The nature of the agreement with each co-investor, and their anticipated return from their involvement in the proposed development.
 - c. Evidence of clear commitment from each co-investor, including the amount of investment and whether it is in cash or in-kind. Co-investment should be secured at the point of submission, but may be contingent on a successful UKRPIF bid.
15. Provide the anticipated profile of co-investment as a separate workbook as provided at Annex C.
16. The project proposal **must** include a clear breakdown of the value and nature of each co-investor's commitment (for instance, whether it is capital or recurrent, in cash or in-kind). You must provide evidence of commitment for each co-investor

included in the bid. Evidence will typically be a letter from the co-investor stating a specific commitment to the project and the terms on which this will be made. Evidence should clearly indicate the amount and nature of co-investment being committed. If co-investment is already committed to the institution, evidence should clearly state the co-investor's support for directing funds to the specific project. Co-investment included in the bid should relate directly to the project rather than being part of a broader development. This will help to ensure that the UKRPIF maximises public value in line with its objectives. Provide a full list of co-investors, and the nature of the evidence of co-investment provided, in Annex C.

17. Detailed guidance on the nature and eligibility of co-investment funding can be found in paragraphs 42 – 49 of the guidance document for the call.
18. Research England and the devolved Higher Education funding bodies reserve the right to scrutinise the co-investment set out in the bids at any time. We may use the period between funding announcements and start of the funding period (FY2020-21) to undertake this assurance activity. Please note that we may seek input from BEIS or independent analysts during this process.

Estates development and purchase of equipment

19. Provide complete information on building works and the purchase of equipment in the template as provided at Annex B.

Financial information

20. Financial information should be provided in the template provided at Annex C. This asks for information in three areas:
 - a. Expenditure and sources of finance in each year relating to the capital development. Expenditure on capital development must be sufficient to use all of the UKRPIF funding within the period in which it is awarded.
 - b. Income and expenditure in each year until the proposed facilities reach normal operating capacity.
 - c. Profile of co-investment.
 - d. Detail of co-investment. Where co-investment related to in-kind contributions there should be a clear explanation as to how the value of the co-investment has been calculated.
 - e. Profile of Research England payments.

21. When preparing the financial information requested in Annex C, please bear in mind that expenditure does not need to match monies paid and should be accounted for as goods and services are received. Please also refer to paragraph 32 of the guidance document for the call.
22. Where bids include contributions from HEIs' own resources (outside the co-investment), you should explain how these contributions are being financed and whether the institution will need borrowing consent from the relevant UK funding body.
23. You should describe how the institution expects to meet the recurrent costs of the project, such as staffing, operating costs and maintenance. Please use Annex C to give a detailed breakdown of operating costs.

Project planning and governance

24. Provide information on the institution's plans to develop and sustain the research facilities. This should include the following:
 - a. A summary plan to implement the project, and plans to monitor and evaluate the success of the development. These should show milestones and timings covering the key aspects of the development (estates, equipment and staffing). Particular attention should be paid to the need to spend the UKRPIF funds by 31 March 2021. The project plan should demonstrate how the development will keep the opposed UKRPIF payment profile on track.
 - b. Project management and governance arrangements.
 - c. Arrangements to manage the relationship with co-investors and any partner HEIs.
25. Where bids will result in the development of a new facility, we expect clear information on the following:
 - a. The ownership of the facility. Where the HEI does not own the facility, describe the arrangement that ensures the HEI can access the facility, and the period over which access is granted.
 - b. The governance structure of the facility.

Monitoring and evaluation

26. Describe how the HEI will monitor both the progress in developing the facilities and the co-investment commitments outlined in the bid, especially where these are

investments in-kind. We expect that bids will include plans to evaluate the success of the completed project as well as monitoring progress during development.

Risks

27. Highlight the potential risks to the project and the planned mitigating actions.

Consideration of risks should include those relating to:

- the successful implementation of the project;
- the use of UKRPIF funding within the timeframe to March 2020 (such as potential delays in planning consent);
- the security of the co-investment, including any recurrent funding;
- the longer-term sustainability of the research facilities.

Environmental and social factors

28. The development and operation of new research facilities will have environmental and social impacts. In this section, we wish to explore how institutions are making the most of any positive impacts and managing any negative impacts. The assessment panel will take this information into account when deciding which bids to recommend for funding.

29. Identify the key positive and negative environmental and social impacts likely to occur as a result of this proposal. Explain how positive impacts will be enhanced and negative impacts will be mitigated and why alternative options have not been pursued. Considerations may include:

- impact of jobs lost, created or displaced, urban regeneration;
- impact on the health and wellbeing of those living close to the development, for example employment opportunities, congestion, noise, air pollution, flooding or changes in recreational or cultural facilities;
- impact on local businesses or the local economy;
- impact on natural resources, in particular energy and water use and waste generation;
- impact on habitats, biodiversity and ecosystems;
- any other effects of the proposal which are likely to have an environmental or social impact.

30. As a guide, information could be presented in a table, and we would expect the scale and detail of information provided to be broadly similar to a risk register for the bid.

Agreement of head of institution

31. We require confirmation from the head of the HEI that they have agreed to the bid being submitted. A signed statement or confirmation email should be incorporated into this bid.