

Response to the OST & HEFCE Consultation Document on Higher Education Innovation Fund: Round 2

The Council for Industry and Higher Education (CIHE) welcomes the additional funding that will "increase the capability [of HEIs] to respond to the needs of business (including companies of all sizes and sectors and a range of bodies within the wider community), where this will lead to identifiable economic benefits."

However,

- we regret that the HEIF permanent stream of funding will only reach £90 million in 2005/6. This is an inadequate counterweight to the massive funds for research that currently drive academic aspirations. It will not sufficiently encourage mission differentiation.
- we doubt if the emphasis on responding to demand (as highlighted in the quote above) is reflected in the threefold supply-side categorisation proposed in paragraph 23; from a business perspective (especially that of a small company) if there is a problem that needs to be solved, then this may involve a range of possible responses from technology transfer, management consultancy, access to laboratory or testing facilities or specific joint project work; to limit the range of responses available to a demand side problem could undermine the HEIF objective so admirably outlined. The consultation document states that "the second round of HEIF will provide greater flexibility to back a range of effective proposals"; we endorse that principle and look for it to be implemented in practice.
- we reject the classification of institutions into ones that are more or less research intensive, preferring the current diversity among departments and teams and their ability to develop new areas of research (including multidisciplinary) in response to ever-changing and emerging opportunities; our submission to the OST and funding councils on *The Sustainability of Research* and *Research Assessment* refer).
- we doubt whether it is necessary to reduce the already scarce overall funding available with a new central initiative for Knowledge Exchanges. It should be for RDAs, institutions and local partners to determine what is appropriate for individual regions, having regard to such good practice as the Knowledge House in the north-east. If such an initiative is to be pursued, then we would want to see funding provided to networks of institutions to provide the type of information and facilities offered by Knowledge House either on a regional or sub-regional basis.

We welcome the wide range of supportable activities proposed and the enhanced role suggested for RDAs. If RDAs are more engaged with universities and colleges, they are more likely to appreciate the potential of the offer for the economic and social development of their regions. Over time and as the RDAs become more knowledgeable and professional, so we would expect more decisions to be devolved to them. Local decisions should, wherever possible, be taken locally by organisations and individuals who have local expertise and accountability. This devolution should reduce the need for "each application for HEIF funding [to be] assessed by four separate groups."

Finally, we recognise the need for appropriate metrics to be developed to identify good practice in knowledge transfer. We are supporting together with HEFCE a project that is comparing good practice on an international basis. We hope the results of this project (which has been delayed because of the difficulties inherent in establishing international partnerships) will inform that task.

CIHE
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