

Research England Development (RED) Fund

Guidance for applicants

This document provides guidance for proposals to the Research England Development (RED) Fund and should be read in conjunction with the fund's information and additional documents on the UKRI Funding Finder (or Research England website).

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Introduction

1. The Research England Development (RED) Fund aims to support the development of the higher education (HE) sector's research and knowledge exchange in line with the developing priorities of Government and UK Research and Innovation (UKRI). The Fund will do this by supporting time-limited developmental projects for significant public benefit. Projects will most likely be collaborative in nature in order to secure benefits beyond the lead provider.
2. Bids to the RED Fund follow an iterative process – where development of a proposal starts with a project idea and based on advice from Research England colleagues, may develop into a full business case over a period of months, with several draft bids considered by Research England. Sometimes we advise that proposals are unlikely to proceed so that bidders don't continue to pursue a bid without the prospect of success.

Eligibility for the RED Fund

3. The Research England terms and conditions state that for a provider to be eligible for grant funding from Research England, it must meet the following criteria:
 - a. The provider must be registered with the Office for Students (OfS) in the Approved (fee cap) category of the OfS's register. This includes continuing to meet the OfS's ongoing conditions of registration.
 - b. The provider must be undertaking of research and related activities (which includes knowledge exchange).
 - c. The principal – though not necessarily exclusive - aim of the provider's research activity should be the creation of new knowledge which is made freely available to all.
4. In addition to our standard eligibility requirements, to access the RED Fund, providers must be able to demonstrate evidence of expertise in relation to the focus of the project for which they are seeking funding. Projects related to research must build on existing excellence; while projects in KE must build on KE expertise.

Priorities of the RED Fund

5. The RED Fund provides targeted investment for time-limited project-based activity led by providers. The fund supports:
 - a. Activities contributing to Government and UKRI policy priorities for research and knowledge exchange – both short and longer-term – as reflected in the published priorities for the RED Fund.
 - b. Genuinely innovative approaches to the development of research and knowledge exchange in providers.
 - c. Collaboration between providers or between a provider and partners external to HE.

- d. Risk sharing – where there are financial contributions, and investments/leverage from appropriate partners and beneficiaries – and support for higher risk activities.
- e. Additionality - activity that would not otherwise happen without our investment.

6. The fund has key priority areas for investment. All bids must clearly fit with **one** of these priorities in order to be successful. To see the list of current priorities, please refer to the website.

7. We may also issue calls for funding in specific policy areas which require targeted interventions and investment, and may use this mechanism to support a specific priority rather than take forward 'bottom up' bids in the same area. We may also use workshops/sandpits to provide more advice on our requirements for proposals in specific priority areas, in order to support high quality bids.

8. The fund's priorities will change and evolve regularly, in line with Government and UKRI priorities and development of our policies. We will advise:

- when priorities are changing;
- our highest priorities for investment during a particular period; and we may note areas where we have sufficient existing projects in a particular area.

Our intention is to support the highest priority activities, and to provide a clear focus for applicants to help minimise burden on both applicants and the assessment process.

Principles of the RED Fund

9. The RED Fund is used in line with four key principles:

- **Focused on our priorities:** As discretionary funding, the RED Fund investments will be focused on achieving our priorities rather than the positioning of individual providers. We will invest based on ideas from and negotiation with providers.
- **Exceptional funding:** The RED Fund should be used to secure benefits that could not adequately or reasonably be achieved through other means, by Research England and/or by universities (such as formula funding, information, and regulation).
- **Delivering net public benefit:** The benefits arising from our funding to the public, to universities as a whole and students should outweigh those to the providers receiving funding. This may be achieved particularly in a collaborative project.
- **Overall system consistency:** our investments should be consistent with the Government's aspiration for a dynamic research and innovation system that builds upon strength and success. Hence the RED Fund must complement other RE/UKRI funding.

10. We expect all proposals to demonstrate:

- Robust governance and project management arrangements, with full consideration of risk.
 - Proposed start date that reflects readiness of projects to commence and undertake implementation without slippages.
 - Value for money – including clear impacts/outcomes proportionate to the funding sought, clear contributions from key partners, and longer term legacy or financial sustainability.
 - Wider engagement for dissemination purposes to add value beyond the immediate project.
11. In assessing proposals we will consider:
- What issue is being addressed and what evidence is available to demonstrate its significance?
 - How does the issue fit with Research England’s priorities for the fund?
 - What alternatives have been considered other than the RED Fund to address the issue?
 - Why can the issue not be tackled by the provider alone?
 - What would happen if Research England did not provide funding and what evidence is available to demonstrate this?
 - Are there clear objectives, and is it clear how the project’s success will be measured?
 - Are the activities appropriate to the issues and objectives identified?
 - Does the project have clear milestones and are the timescales realistic?
 - Are the costs appropriate and does the investment represent value for money for Research England, taking into account the outputs and outcomes identified?
 - Is there a suitable strategic and financial commitment from the participating provider(s) and any other key partners / beneficiaries?
 - Is there evidence of a robust risk assessment and are there suitable plans for project and risk management?
 - What evidence is available to demonstrate and quantify the benefits of the project to the wider system of research and knowledge exchange?
 - The approach to evaluate long term impact of the project.
 - Compliance with relevant legislation.

Process

Development of a bid

Initial contact

12. The first step in considering making a proposal to the fund is to test the project idea with a representative of Research England. Email REDevelopmentFund@re.ukri.org to log your interest and to be put in touch with the appropriate contact. We will advise on general fit with the fund policies and priorities, and the likely chances of success. If the project idea is at an early stage of thinking, an initial discussion may be more suitable.

Expression of interest

13. If you wish to propose a project, you may wish to complete a short summary of a proposed project idea, on one or two sides of A4 (no more than two sides) – this is essentially an expression of interest (we do not use a template for this stage).

Summary proposals should include:

- a. The issue that the project seeks to address
- b. How the proposal fits with the RED Fund
- c. What the project will do – early indication of work packages to deliver a project
- d. Indication of partners (or types of partners)
- e. Approximate funding ask

14. The RED Fund team will provide advice on each draft of a proposal, often liaising with other Research England colleagues. Interested applicants should keep Research England informed of key developments so that we can provide advice as required and take account of any critical timing and external funding factors in our process. **Do note that successful proposals generally emerge after extensive discussions.**

Full business case

15. If we advise that a proposal can proceed to a full business case, then applicants should complete the template provided – refinement of draft business cases is often needed before submission to the panel.

16. The bidding template will need to include:

- a. A suitable start date that considers timescales for any post panel due diligence, and length of time to assemble the project team.
- b. A proposed funding profile that matches a realistic forecast for project spend.
- c. A set of success criteria (KPIs) against which we will monitor progress of the project.

17. For bids of up to £500k, we would not expect the level of detail provided in bids for larger sums of funding.

18. Bids will initially be considered by the Research England officers to ensure that key points in the development of the bid have been addressed. Once we are content with the bid, it will proceed for consideration by the Executive Group, RED Fund Panel or Research England's Council depending on amount of funding requested and potential risk. We will write to applicants to advise them of recommendations and decisions.

19. The table below shows the routes of approval for all project proposals invited to proceed to full bid:

Funding thresholds	Approval route
Bids up to £500k	Executive Chair approves/declines on the basis of advice from the Research England Executive Group.

Bids of £501k to £5M	RED Fund Panel recommendation to the Executive Chair
Bids above £5M	Research England Council recommendation to Executive Chair based on advice from the RED Fund panel.

20. Scrutiny at these levels ensures appropriate oversight over processes, including: ensuring broad consistency in treatment across providers and proposals; fit with the fund's priorities and policies; and the reasonableness of financial and investment cases. This process also helps to identify any areas for amendment or further work, and propose additional terms and conditions before the final decision to fund or not is made.

21. We will take account of risk (to Research England or to project delivery) and may escalate bid assessment to the higher approval route and/or add additional terms and conditions or monitoring requirements to manage higher risk projects.

Bids from existing RED Fund projects

22. In exceptional circumstances we may provide an additional award to an existing project. We will not fund continuation of projects but will consider new activities or directions that arise from insights from implementation of existing projects. Such activities would have to be sufficiently distinct from an existing project. We cannot provide funding to all existing projects and any new proposals will still need to meet the priorities and requirements for the fund.

Aggregation of funding

23. Where a lead Provider puts forward a series of bids for the same or similar project, the total funding across all bids would count against the panel's threshold for approval. This disincentives Providers from slicing propositions to get under the higher scrutiny level.

24. A 'same or similar' project is where a secondary bid (third etc.) could have been submitted as part of the first – it is focused around same activity/theme, and could have started around the same time. In these circumstances, if the original award and the secondary bid together go over an authority level then the secondary bid will need be considered by the higher-level body – so moving from scrutiny by Executive Group to RED Fund panel, or moving from RED Fund panel to the RE Council.

25. Where a second bid arises from a previous project but could not have been submitted at the same time – that is, where the activity has been newly developed out of new insights or results of the first award – then it can be judged on its own merits and need not be submitted to the higher authority level.

Funding and finance

26. There is no set amount for our investment in each proposal; it will depend on the specific requirements of each bid put to us, our assessment, and the availability of funds. While there is no minimum, we don't envisage bids of less than £100,000 unless we advise otherwise such as through a call for smaller more targeted projects. In cases of such smaller funding requests, we may adopt a lighter touch approach in terms of the business case requirements.

27. Proposals must include a range of investors, including the provider and key partners involved. The balance of investor priorities and hence the investment mix (including Research England's contribution) for different proposals will differ according to requirements.

28. Providers should ensure that total costs are reasonable. We may wish to discuss and review costings and full financial information during the assessment process. HE Provider contributions are an indication to the panel of their strategic commitment to a project, and important in the context of sharing risk across partners and funders. We expect bidders to be aware of the full costs of a proposed project and that provider contributions might include indirect costs and other contributions. We wouldn't expect to be asked to fund indirect costs unless there are exceptional reasons.

29. If successful, an award letter will be provided to the lead provider outlining funding and our terms and conditions. The lead provider receives all funding and is accountable for its use. This includes allocation of funding across project activities, including to partners, complying with the relevant legislation, and submitting monitoring information to Research England.

Success criteria and project monitoring

30. Success criteria are target measures that demonstrate what success would look like for the project as a whole. They will be informed by the bid document and include milestones and delivery targets, focused on a few key measures which materialise within the project period and at end of grant reporting. Success criteria will be incorporated into the award letter and we will use them to monitor progress and completion of a project. Long term impact will be captured through a review/evaluation.

31. In line with our general approach in the fund, we tailor our monitoring to the level of risk associated with a project. As a minimum each project will be expected to report annually. A higher risk project will normally require more frequent and in-depth monitoring than a lower risk project.

32. Reports of progress against success criteria from the lead provider will form the main focus of monitoring and on this basis we will assess whether the project is on track to be successful. We reserve the right to amend success criteria if a project changes. It is critical that at all times Research England and the providers involved are clear about the terms with which to judge the success of a project. Funding for projects that fail, or are highly unlikely to meet some or all of, their success criteria may be

formally reviewed. Should we judge that a project falls into this category then we will discuss recovery options before formalising decisions on a course of action, which includes potential termination of grant.

End of grant reporting and assurance

33. We will notify in the award letter the form of assurance and end of grant reporting required, which will be tailored to the associated level of risk.

Project reviews and evaluation

34. We will expect providers to set out their plans for project reviews, including the approach they will take (such as an independent project evaluation) and timescales. We note that final outcomes of many projects are unlikely to emerge until sometime after our funding ends and indeed possibly after the project is completed (for example, a new building intended to provide research facilities for addressing a particular health problem with industry. Such outcomes will then only become measurable some years after the new build is complete). We would expect though that providers have in place clear policies and procedures to ensure that project reviews including measurement of outcomes are conducted as necessary and that results feed back into development within the provider.

35. We will conduct periodic evaluations of the Fund, and we may wish to conduct audits from time-to-time. We require providers to make available to us their project review information if needed for our evaluations, and to participate in case studies and interviews.

Impact assessment

36. We expect providers to demonstrate they have considered the impact of their project in a number of areas, including the positive steps that could be taken to eliminate discrimination, advance equality of opportunity and foster good relations. This includes a consideration of all the equality protected characteristics (age, disability, gender identity, pregnancy/maternity, religion/belief, race, sex, sexual orientation) in line with the Equality Act 2010.

37. We ask that providers describe within the Business Case how any equality element(s) of the project specifically relate to the Provider's published Equality Objectives.

Freedom of Information Act 2000

38. Research England is 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 provider, 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 UKRI's own policies.

39. Providers 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. The applicant acknowledges that information provided in the annex is of indicative value only, and that 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.

40. Further information about the Freedom of Information Act is available at www.ico.org.uk.

Compliance with Subsidy Control and any other relevant legislation

41. Providers must ensure that their use of funding is compliant with any legislation applicable in the United Kingdom on or after 1 January 2021, including the Subsidy Control Act 2022, that regulates the granting by a public sector body of any advantage which threatens to or actually distorts competition in the United Kingdom and/or any other country or countries (“UK Subsidy Control Framework¹”).

42. Providers must inform the RED Fund team of any breach of relevant subsidy control legislation as soon as this becomes known to them. Providers acknowledge that if they breach any applicable legislation, Research England may be required to recover some or all grant funding, together with interest.

43. Applicants may be required to provide evidence and assurance that the lead Provider has identified, considered and addressed any subsidy control implications in accordance with relevant UK and EU legislation (where applicable), and have sought legal advice if appropriate². Further information will be provided by the RED Fund team if this is requested.

Trusted Research and Innovation

44. Applicants should consider UKRI's Principles on Trusted Research and Innovation (TRI) when engaging with partners³. A separate additional **Annex** on TRI should be completed and submitted alongside the first draft business case. This form is not required at stages prior to full business case unless Research England staff advise otherwise.

¹ <https://www.gov.uk/government/publications/complying-with-the-uks-international-obligations-on-subsidy-control-guidance-for-public-authorities>

² Research England's assessment and satisfaction with material provided as evidence of complying with subsidy control requirements does not constitute any form of legal guarantee.

³ <https://www.ukri.org/about-us/policies-standards-and-data/good-research-resource-hub/trusted-research-and-innovation/>