



Australian Government

**Department of Innovation
Industry, Science and Research**

COLLABORATIVE RESEARCH NETWORKS PROGRAM

DISCUSSION PAPER

1. Introduction

- 1.1 The Australian Government has introduced a suite of new and updated initiatives to reform higher education teaching, learning, research and research training. These reforms, announced in the 2009-2010 Budget, will lead to a more productive and effective university system, focused on quality and excellence, collaboration, sustainability and end-user engagement.
- 1.2 The new policy and funding framework will drive changes in the research activities of universities. The framework includes:
- *Sustainable Research Excellence in Universities*, which will augment the existing Research Infrastructure Block Grants Scheme and over time increase funding for the indirect costs of research, with the aim of raising the level of support to an average of 50 cents per dollar of direct competitive grant funding by 2014.
 - *Joint Research Engagement*, which transforms the Institutional Grants Scheme to encourage greater collaboration between universities and the business and non-government research sectors by removing competitive grant income from the formula used to calculate allocations.
 - *Excellence in Research for Australia (ERA)*, which will evaluate research across all disciplines and identify areas of research excellence and areas where there are opportunities for development.
- 1.3 The new policy and funding framework also includes the *Collaborative Research Networks (CRN)* program. CRN is a new, flexible funding program designed to effect structural adjustment. It will encourage less research-intensive, smaller and regional universities to develop their research capacity and adapt to a research system driven more strongly by performance outcomes by teaming up with other institutions.
- 1.4 The objectives of the CRN program are to:
- help less research-intensive, smaller and regional universities adapt to a research system driven more strongly by performance outcomes;
 - facilitate collaboration between these universities and larger universities with established research strengths;
 - encourage less research-intensive, smaller and regional universities to focus their research activities in areas of excellence;
 - improve the level of collaboration between different parts of the innovation system, and in particular between universities; and
 - address wider national research and innovation goals.
- 1.5 The CRN program has been deliberately designed with a wide scope. It is intended to complement the other reforms to higher education research policy and funding announced in the 2009-10 Budget, in particular the Sustainable Research Excellence and Joint Research Engagement initiatives.

- 1.6 The CRN program is not intended to duplicate or replace existing programs with a strong focus on collaboration, such as the ARC Linkage programs or the Cooperative Research Centres program. Nor is it intended to support the direct costs of research *per se*.
- 1.7 The Department of Innovation, Industry, Science and Research (DIISR) undertook preliminary consultations on the CRN program in the course of Interim Agreement discussions with institutions in late 2009. These consultations indicated that there was strong support in the sector for the program. They also showed that there is a wide range of views on program architecture, including eligibility for funding and the allocation of program funding, as well as the scope of activities which could be supported by the program.
- 1.8 The Department is now seeking formal comment from the sector on key issues, and on how best to achieve the program objectives. This discussion paper sets out some broad parameters for the program, summarises some of the issues raised during Interim Agreement discussions, and poses specific questions for sector consultation.
- 1.9 CRN projects may be included in universities' mission-based compacts for 2011 and beyond.

2. Rationale

- 2.1 Less research-intensive universities, particularly those in outer-suburban and regional areas, are often an important part of local and regional economies. The research mission of such universities – which includes research training – is often strongly connected to local needs and priorities.
- 2.2 The research mission of less research-intensive universities can be enhanced by the formation of linkages with larger, more research-intensive universities, or by forming networks of less research-intensive universities with compatible goals. The CRN program will facilitate the formation of such linkages. The intention is that all participants in a collaborative network – including both large and small universities – will benefit from the partnership, with flow-on effects for the research and innovation system as a whole.

3. Eligibility

- 3.1 The CRN program is non-ongoing. It provides \$52 million from January 2011 to 2014. The relatively small size and limited duration of the program mean that it is essential that program funding is both targeted and effective. Only selected institutions – based on criteria to be determined as a result of consultation with universities – will be eligible to apply for program funding.

- 3.2 The CRN program is aimed at less research-intensive universities that would be eligible to apply for funding. While there is no specific-measure for “research-intensity”, the following parameters are relevant:
- total research income;
 - competitive grant income;
 - research outputs, such as publications or higher degree by research (HDR) completions;
 - HDR load as a proportion of total student load;
 - research-active staff as a proportion of total staff;
 - other factors related to its research activity; or
 - some combination of indicators.
- 3.3 For example, CRN funding could be made available to universities with competitive grant income below an agreed level. The \$2.5 million competitive grant income threshold used in the *Sustainable Research Excellence* initiative would, if applied to CRN, mean the program was open to a relatively small group of universities. A higher threshold would open the program to more universities, but would be likely lead to smaller allocations of CRN funding.
- 3.4 Potentially, all universities could have a key role in the program as partners with less research-intensive institutions in collaborative ventures.
- 3.5 The eligibility criteria for the first round of CRN in 2010 may be modified in later years, again in consultation with universities. From 2011 onwards the outcomes of ERA assessments could have a role in determining eligibility for CRN funding.

Consultation Question 1 – Eligibility

- *What criteria should be used to determine eligibility to apply for Collaborative Research Networks funding?*
- *How should a less-research-intensive institution be defined?*
- *Please give an example of how these criteria could be applied, and some rationale for their use.*

4. Allocation Mechanism

- 4.1 From 1 July 2010 each eligible university will be invited to submit a CRN proposal for a collaborative arrangement with at least one other university. Under most circumstances the partner will be a larger, more research-intensive university. The less research-intensive institution will be the lead institution in the proposed network, and would receive the funding for the project as the managing institution.
- 4.2 Some of the funding may flow to the collaborative partners in the project under arrangements that suit the project and the participants. The expectation is that all parties would benefit from the arrangement which would eventually serve as a

- basis for further collaborative work, such as joint grant applications, joint supervision arrangements or other activities.
- 4.3 There are a number of options for allocating CRN funding to less research-intensive universities. During the Interim Agreement discussions with universities in late 2009, three options were suggested by the sector.
 - 4.4 Some universities favoured a *competitive* approach, whereby eligible universities would submit proposals for program funding. These would be subject to formal evaluation, with only some proposals being funded.
 - 4.5 Other institutions favoured an entitlement approach whereby all eligible universities would receive some funding, albeit subject to them submitting a proposal which met the program objectives. This could involve equal funding to all eligible universities, or proportional funding determined by some scaling factor aligned to each university's research capabilities.
 - 4.6 A number of universities suggested a *hybrid* approach. In this case, all universities eligible for program funding would receive 'base' funding (either equal or proportional amounts), but would also be able to submit proposals for additional funding which would be allocated on a competitive basis.
 - 4.7 There are advantages and disadvantages to each of these approaches. A competitive funding process would be robust and defensible, consistent with the Government's broader policy framework, and involve an approach familiar to universities.
 - 4.8 However, as is the case for all competitive funding processes, some uncertainty would be involved. A competitive funding process would also mean that not all universities eligible for program funding would receive funding and those that received funding may not receive all that they had requested.
 - 4.9 An '*entitlement*' model would ensure some funding to all eligible universities, subject to receiving a satisfactory application. This approach would provide some support for all eligible institutions to build their capacity, and provide a degree of funding and planning security.
 - 4.10 A disadvantage of this approach would be that the quality of applications may not be as high as for a fully competitive process, and the amount of money available to a given institution would be less as all eligible institutions would be guaranteed support.
 - 4.11 The hybrid model would potentially only give a small amount of funding for an entitlement grant, and institutions would still need to write a competitive grant application for more significant funding.
 - 4.12 Any of these models could accommodate 'lighthouse' projects (see Section 6, below) supporting larger-scale or longer-term activities.

Consultation Question 2 – Allocation Mechanism

- *What funding model should be used for the allocation of Collaborative Research Networks program funding? Please provide a rationale for the approach described.*
- *What kind of evaluation criteria should be used to assess proposals under a competitive grant process?*
- *Should an entitlement grant model involve equal funding to each eligible university, or a proportional allocation? If the latter, on what basis?*
- *If a hybrid model is used, what proportion of Collaborative Research Networks program funding should be allocated competitively?*
- *Are there alternatives to the proposed models which should be considered?*

5. Scope of Program

- 5.1 As noted above, the initial consultations on CRN carried out in 2009 as part of the Interim Agreements discussions showed a wide range of views and questions about the program.
- 5.2 While not an exhaustive list, CRN funding could be used to support subject or thematically based collaborative arrangements, joint administrative or technical services, staff and student exchanges, joint supervision or staff development arrangements, shared research infrastructure or access to major research facilities.
- 5.3 Some universities suggested that CRN funding could be used to facilitate the development of international linkages. There are a number of existing programs which are intended to support international collaboration. However, consideration could be given to use of CRN to support collaboration with international partners in Australia.
- 5.4 For example, CRN funding could be used to support staff or student exchange programs, visiting fellowships or similar activities. However, the Department would still require such projects to meet the core objective of the program (driving collaboration between universities), and would expect that the CRN funding involved would be spent in Australia.
- 5.5 Some universities also suggested that program funding could be used to support the development of collaborative arrangements with research agencies such as CSIRO, or with private sector partners. Again, there are existing programs which support collaboration between universities and other research organisations, but less research-intensive universities may face significant challenges in accessing these programs.
- 5.6 CRN could play a role in developing the research capabilities of less research-intensive universities to the point where they are able better able to access other programs with a focus on collaboration, such as the Cooperative Research Centres program.

Consultation Question 3 – Scope

- *What kind of research activities (including support and administrative activities) should be funded under the Collaborative Research Networks program? Please provide a rationale.*
- *What outcomes and performance indicators could be used to ensure the success of Collaborative Research Networks projects?*
- *Should program funding be used to facilitate the development of international linkages, or collaborative arrangements with research agencies or industry? If so – subject to what caveats, if any?*
- *Does the university have any collaborative arrangements (current, in development or notional) which it might seek to support via the Collaborative Research Networks program? Please provide a basic description.*

6. Lighthouse projects

- 6.1 The Collaborative Research Networks program has the scope to support a small number of ‘lighthouse’ projects. These projects would be larger-scale, potentially involving a higher level of funding, several universities, stretching out over several years, and more closely aligned to wider strategic objectives including potentially aligning with the national innovation priorities and the national research priorities, or other priorities that the Minister for Innovation, Industry, Science and Research may identify from time to time.
- 6.2 Lighthouse projects might involve capacity-building, such as ensuring the long-term sustainability of research capability and the research workforce, or maintaining research capability in key fields, especially those relevant to regional and outer-suburban areas.
- 6.3 Funding for lighthouse projects would be awarded on a competitive basis, and would involve clear, mutually-agreed outcomes and performance indicators.
- 6.4 The Australian Government may identify specific goals, fields or themes, aligned to its wider strategic objectives for research and innovation, which could form the basis for a CRN lighthouse project.
- 6.5 The selection of lighthouse projects could involve a separate call for proposals from all universities eligible for program funding; an invitation to specific universities, or groups of universities, to submit a proposal; or combining compatible proposals from individual universities into a lighthouse project.

Consultation Question 4 – Lighthouse projects

- *What goals, fields or themes could form the basis of a Collaborative Research Networks lighthouse project? Please provide a rationale.*
- *What outcomes and performance indicators could be used to ensure the success of such projects?*

- *What approach to the selection of lighthouse projects would best meet the needs of less research-intensive universities and the overall objectives of the program?*

7. Timetable for Development and Implementation of CRN

- 7.1 Following the release of this discussion paper, the sector will be invited to provide written submissions. The Department will also undertake round-table consultations on CRN. The schedule for the consultations will be confirmed with universities by separate notice.
- 7.2 Final submissions should be sent to the address below by **COB MONDAY 22 MARCH 2010**.
- 7.3 Feedback on this discussion paper will be used to develop draft program guidelines, which will be released to the sector for comment in late March or early April 2010.
- 7.4 Following finalisation of the guidelines, eligible universities will be invited to submit proposals for funding from 1 July 2010. The closing date for submissions will be 30 July 2010.
- 7.5 CRN funding will be awarded from 1 January 2011.

8. Contact Information

University submissions should be addressed to: CRN@innovation.gov.au