



## **MODERATING PANELS: GUIDANCE NOTES FOR THE CONSIDERATION OF INNOVATION PROJECT (FORMERLY KNOWLEDGE EXCHANGE) PROPOSALS.**

### **1. Introduction**

The Innovation Projects (formerly Knowledge Exchange) funding scheme aims to fund the best knowledge exchange ideas for delivering impact through end-user engagement with the science that NERC supports. The scheme is not intended for research activities, but rather to encourage and enable the sharing and exchange of knowledge, people, skills and expertise between the NERC science base and its end-user communities.

### **2. Role of the Panel**

The primary role of the moderating panel is to review the Innovation Projects call proposals assigned to it by NERC. The moderating panel will receive the full proposal and any additional background information. Using this information for reference, all moderating panels are responsible for:

- providing an overall grade for each proposal presented to them,
- producing a final ranked list of these proposals, and
- satisfying themselves that the financial resources requested for proposals in the funding frame are reasonable to meet the project objectives and recommending any areas of budget adjustment where necessary.

To assist in the prioritisation process, panel members will be assigned to act as introducers for individual proposals in advance of the meeting. The role of introducer is described in section 3.

### **3. Role of Introducer**

For each proposal, two panel members will be nominated as introducers. Their role is to lead the discussion on the proposal. As well as the proposals that have been allocated to an introducer, panel members should read as many of the other proposals as possible (time permitting). This allows them to put the proposals on which they are speaking into context with the rest of those in the funding round and ensures a full discussion of each proposal at the meeting.

#### *Before the Panel*

Prior to the panel meeting, introducers are asked to provide detailed written comments on an Introducer's Form (downloadable from the Panel meeting guidance page of the website: <http://www.nerc.ac.uk/funding/application/howtoapply/forms/> for each proposal they are introducing.

The Introducer Form requires you to provide the following information:

- i. A provisional grade for the potential economic and societal impact of the proposal. Introducers must be prepared to justify fully their Impact grading. Please note: the scoring system for Impact can be found in section 7 of this document.
- ii. A very brief summary of the aims, objectives and approach

iii. An overall comment on the justification of the costs requested to undertake the work proposed

v. A comment on the resources requested and identify any that are not fully justified

The introducer comments, and ensuing discussion, will form the basis of the feedback to applicants. NERC requires electronic copies of Introducer's Forms, if possible, to be e-mailed to the Panel Secretary before the meeting.

#### *At the Panel*

During the meeting, the Chair will initially invite each introducer to present their provisional Impact grade. Introdurers will then be invited to lead the discussion by summarising the proposal and providing comment on its impact. The discussion will then be opened up to the panel by the chair and an overall grade for Impact agreed.

Introdurers are free to amend their Introducer Forms during the meeting itself if points arise during the discussion. If any such amendments are made, the updated versions of these Introducer Forms should be e-mailed to the Panel Secretary as soon as possible after the meeting.

#### **4. Proposal grading**

In the assessment of Innovation Project proposals the primary criterion is the potential for economic and societal impact, with proposals being awarded a grade of between 0 and 10 (highest). The following points are considered when making an assessment:

##### **Outcomes and benefits**

- Potential scale, type and range of benefits arising from the project (these can be direct, for example technology development or job creation, or indirect such as quality of life improvements resulting from better regulation);
- The extent to which stakeholders, beyond immediate project partners/members, will be made aware of activities and outcomes of the project;
- Potential for new collaborations in novel areas of research;
- Whether the project will result in improvements in knowledge exchange, training or research in the subject area.

##### **End-user involvement**

- Demonstration of real commitment, levels of interaction and end-user buy-in (e.g. through involvement in setting project objectives) as outlined in the Letter(s) of Support and also in the contributions made to the project in cash and/or in kind;
- Benefits to the end-user as a result of their involvement with the project and benefits to project delivery and achievements as a result of end-user involvement;
- Balance of end-users and researchers/academics involved;
- Involvement of relevant and/or appropriate end-users: if some are not involved is there a satisfactory explanation as to why not;
- The extent to which this interaction may lead to new links between end-users and academics;
- The flow of knowledge to one end-user or many may be regarded as of equal benefit – provided that the end-users are appropriate and that important ones have not been overlooked.

## **Sustainability**

- Long-term updating of data, and stewardship of databases, models or specific data management tools;
- Consideration of end-user demand for the knowledge; is this likely to increase, decrease or remain constant;
- Due consideration should have been given, where appropriate, to achieving self-sufficiency when NERC support ends (for example subscription to a network or payment for training courses).

## **Mechanisms for delivery**

- Appropriateness of the work-plan; can the work proposed be achieved within the time-frame, and with the resources requested;
- Range and scope of dissemination methods to engage end-users;
- Omission of more effective methods for dissemination, or introduction of new approaches;
- Appropriate management in place to ensure best possible success (including relevant staff and systems);
- Engagement and involvement of early career scientists and Post Doctoral Research Assistants.

## **5. Proposal prioritisation**

Once all the proposals have been graded, the panel is then asked to place them in priority order. A ranked list of the proposals will be compiled based on the grades assigned to each proposal for potential economic and societal impact. It is important to stress that the panel has the right to rearrange this ranking order, but only within the Impact grade.

## **6. Consideration of resources requested**

The paragraphs below describe the approach the panel should take to the resources requested on the proposals.

### *Full Economic Costing*

All research proposals submitted for consideration are expected to present the full economic cost (FEC) of the project. Proposals must include the funds for the investigators' effort and the overheads supporting the research activity. Proposals are composed of four summary fund headings, as follows:

**Directly Incurred Costs** – Costs that are explicitly identifiable as arising from the conduct of a project, are charged as the cash value actually spent and are supported by an auditable record.

**Directly Allocated** – The costs of resources used by a project that are shared by other activities (including the costs of estates). They are charged to projects on the basis of estimates rather than actual costs and do not represent actual costs on a project-by-project basis.

**Indirect Costs** – non-specific costs charged across all projects, based on estimates that are not otherwise included as Directly Allocated costs.

**Exceptions** – Directly Incurred costs that are funded at 100% of FEC, subject to actual expenditure incurred, or items that are outside FEC.

All costs that have been justified as reasonable requirements for the research proposed are allowable and should be accepted. Panel recommendations on

resources requested should be constrained to items that have not been justified. Note that consideration of whether the resources are justified or not should focus **only** on:

- 'Directly Incurred' costs;
- the level of Investigators' effort (Note: Investigators can claim up to 100% of their time on the proposed research project if it is fully justified);
- 'Other Directly Allocated' costs (except charge-out costs for departmental technical & administrative services);
- 'Exceptions' costs.

All other Estates and Indirect Costs elements, which are fixed by the research organisation, should **not** be considered.

### *Equipment*

The following changes in how equipment is requested on Research Council Grants came into effect on 01 May 2011:

- An increase in the threshold for individual items of minor research equipment from £3k to £10k (inclusive of VAT); items less than £10k are classed as 'Other Directly Incurred' not equipment;
- Further justification is required for all items of equipment costing between £10k and the OJEU threshold value (excluding VAT £101,323, including VAT £121,588);
- A business case is required for all items of equipment above the OJEU threshold value (excluding VAT £101,323, including VAT £121,588).

Proposals must detail the proposed contributions to the cost of equipment requested. NERC will contribute a percentage of the final purchase price and will expect the research organisation to contribute the remainder from non-NERC funding. Given that NERC capital provision has been reduced by about 50%, contributions of the order of 50% of the full cost of the equipment will be expected.

The panel is asked to consider the proposed contribution levels in relation to the value for money of the proposal and this may influence the overall excellence score. NERC may negotiate the percentage contribution to equipment recommended for support in some cases if the proposed NERC contribution is not affordable.

### **Caveats to and exemptions from these rules:**

- *Instrument development* – The requirement for additional justification or a business case will not apply to equipment to be used for instrument development. NERC would consider funding up to 100% of the cost of instrument development. However, the expectation would be for the Research Organisation to contribute at least 50% of the cost;
- *NERC wholly owned Research Centres* – alternative sources of funding are not available to these organisations and NERC will expect to fund the entire cost of the equipment detailed.

The [http://www.rcuk.ac.uk/RCUK-prod/assets/documents/publications/Equipment\\_Guidance.pdf](http://www.rcuk.ac.uk/RCUK-prod/assets/documents/publications/Equipment_Guidance.pdf) has more information. More details of the NERC application guidance can also be found in the NERC Research Grants Handbook at: <http://www.nerc.ac.uk/funding/application/howtoapply/forms/grantshandbook.pdf>

***Assessment of Equipment Requests for items of equipment costing between £10k and the OJEU threshold value (excluding VAT £101,323, including VAT £121,588)***

Evidence must be provided of an evaluation of the use of existing relevant capital assets. The Justification of Resources should be used to:

- confirm that the piece of equipment is not already available for use within the host institution, or at any other accessible location (for instance by making reference to any asset registers consulted);
- provide evidence that at all other reasonable options have been considered;
- explain, if the equipment requested will replace existing equipment, what will happen to the existing equipment;
- set out what contribution the Research Organisation is making towards the cost of the equipment.

Panel members are asked to comment explicitly on the viability of the arrangements described to access equipment needed for this project, and particularly on any university or third party contribution to new purchases. The panel should provide NERC with a recommendation as to whether requests to purchase new equipment are justified and should be funded; whether, the proposed contribution level is appropriate; whether the planned work can proceed without the equipment and any points of clarification needed from the applicants before any funding should be released.

***Assessment of Equipment Requests for all items above the OJEU threshold value (excluding VAT £101,323, including VAT £121,588)***

Applicants must provide a business case which should outline the strategic need for the equipment. NERC will decide the strategic location for these items and will potentially fund them at 100% FEC. Funding at this level will be exceptional and a contribution from the Research Organisation of at least 50% of the cost will be the normal expectation. The business case should not be more than 2 sides of A4 and should include at least 3 quotations from different potential suppliers. Where there are less than 3 potential suppliers, this must be fully explained in the accompanying Justification of Resources.

Panels are asked to assess the strength of the strategic business case and comment on whether the requested equipment is appropriate and has been fully justified. Panels should consider the following:

- Is the provision of this equipment essential to the completion of the proposed work i.e. is the proposal feasible without the requested equipment?
- Are the costs quoted sensible and justified?
- Are their suitable arrangements detailed for the ongoing support and maintenance of the equipment?
- Have the host institution and/or other third party collaborators made appropriate contributions?
- Is this an appropriate location and user base for this investment?
- Does this represent a coherent and effective package across this institution?
- Does this proposal effectively build on and properly utilise existing inventory?
- Have effective arrangements been demonstrated for extending the user base i.e. is there evidence that this will be used for more than one project?

The panel should provide NERC with a recommendation as to whether the request should be funded; whether the proposed contribution level is appropriate; whether

the planned work can proceed without the equipment and any points of clarification needed from the applicants. Business cases supported by the panel may be further assessed against other business cases recommended for funding if the capital budgets available are exceeded. The advice provided by the panel will inform this process.

## 7. Panel Scoring Systems

### Impact (0-10)

Moderating panels are asked to assign a final grade of between 0-10 to each proposal for potential economic and societal impact using the definitions provided below.

Score	Usual Indicators
<b>Excellent quality proposal</b>	
10	The proposed work is outstanding and represents world-leading standards in terms of impact. Highest priority for funding.
9	The proposed work is excellent and represents world-class standards in terms of impact. Very high priority for funding.
8	The proposed work is very good, contains aspects of excellence, and represents high standards in terms of impact. High priority for funding.
<b>Good quality proposal</b>	
7	The proposed work is of a good quality, internationally competitive, at the forefront of UK work and has a high level of impact. Should be funded if possible.
6	The proposed work is of a good quality, on the borderline between nationally and internationally competitive, and has a good level of impact. Potentially fundable.
5	The proposed work is of a good quality, has some merit and addresses useful questions, but is not at the leading edge. It is suitable for funding in principle but in a competitive context is not a priority.
<b>Potentially useful proposal</b>	
4	The proposed work is of a good quality, has some merit, but has a number of weaknesses. Not recommended for funding.
3	The proposed work is of a satisfactory quality. It would provide some new knowledge, but fails to provide reasonable evidence and justification for the proposal. Not recommended for funding.
<b>Unacceptable proposal</b>	
2	The proposed work is weak in terms of impact, and has only a few strengths. Not suitable for funding.
1	The proposed work is of an unsatisfactory quality. Not suitable for funding.
0	For special cases, e.g. flawed in approach, subject to serious technical difficulties, does not address operational risks, sufficiently unclearly written that it cannot be properly assessed, is duplicative of other work, or not suitable for the scheme.