

ESRC Centres Policy Review 2017

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The ESRC reviewed and revised its centres policy between 2015 and 2017. This short summary outlines the principles behind this review and the revised ESRC centres policy and funding model.

What are ESRC centres?

ESRC centres are major ESRC strategic investments, funded at £2.5-10 million (100% of full economic costs) over five years. In addition to taking forward an ambitious research agenda and making significant economic or societal impact, centres add value by increasing research infrastructure, building capacity, encouraging interdisciplinary working in social science and beyond, and enabling research collaboration in the UK and internationally.

ESRC centres funding is aimed at experienced research leaders who require longer-term or extended support for research groups, inter-institutional research networks, project-linked programmes, medium-to-large surveys, other infrastructure or methodological developments, or any related larger-scale projects. They are expected to be high-impact investments over the longer term.

The ESRC review of centres policy

The ESRC undertook a review of the way it funds its centres between 2015 and 2017. This review recognised the strategic value of ESRC centres as beacons of research excellence, with high impact nationally and internationally. Centres also have a distinct role in supporting the development of early career researchers and building new research capacity and infrastructure.

The review also recognised the imperfect funding policy that had been created by default through the necessary reduction in funding for centres, for budgetary reasons, which reduced the period of centre funding from a possible 10 years (known as the 5+5 model) to five years. This meant that centres were experiencing a 'cliff-edge' in their funding after five years and had not been able to maximise impacts, and build on their research activities in that period to the extent that they would have under the older 5+5 funding model. These budget constraints had also led to a reduction in centres funded by the ESRC and added pressures on Centres and Large Grants Competitions, reducing opportunities for new centres. The ESRC centres policy review proposed measures to foster and sustain centres' excellence and impact over the longer term, without reducing investment elsewhere.

The policy review included an evaluation of centres, interviews with centre directors and research organisations, and discussions within ESRC Council and committees to inform its development, as well as financial modelling of proposed models. We also liaised with the Department of Business Energy and Industrial Strategy to ensure a common understanding and agreement of the policy changes ahead of the development of UK Research and Innovation.

The policy review proposed a number of changes in the funding model for centres. In particular, it highlighted the benefits of supporting these high-profile, and high-impact centres of excellence over a longer period, not only for the ESRC, but also for the centre's

host research organisations (ROs). These centres of excellence have a strategic and financial value to ROs, contributing substantially to their level of quality-related (QR) funding. The new centres policy proposes a new relationship between ESRC and ROs, in recognition of the mutual benefits in establishing a sustainable funding model for centres over a longer period. The model is explicitly designed to foster and sustain centres' excellence and impact over the long term, beyond the life of ESRC funding, by leveraging RO commitment and embedding centres in the higher education funding landscape.

The graduated ESRC centres policy

The ESRC centres policy introduced since the review aims to support a larger number of centres over the longer term without a significant increase in ESRC centres budgets, through this new relationship with ROs. It is also designed to help manage the demand for Centres Competition funding, providing more opportunities for new entrants. The policy provides for two funding tracks for centres:

1. ESRC centres: offering graduated support to help centres establish a self-sustaining funding model once ESRC funding comes to an end.
2. ESRC institutes: offering longer-term fully-funded support for a small number of strategically valuable 'ESRC institutes' that have been persistently successful in open Centres Competitions.

The new centres funding model

The graduated funding model builds on the strengths of the older 5+5 model in providing for a longer life for the centre, and a route to further support through a process of review rather than open competition. However, the new model proposes a *graduated* level of ESRC support, over a potential 15-year period (5+5+5), with a reduction in funding at each successive review. A typical funding pathway for a new centre under this new policy would be as follows:

1. Centres Competition: The centre is funded by the ESRC for five years following success in an open Centres Competition.
2. Centre Transition Review: Towards the end of its grant the centre successfully applies for ESRC centres transition funding, which is supplemented by a commitment from their host research organisation(s). Together this provides the centre with funding worth a minimum 45% of its centres grant for a further three to five years.
3. Legacy Centre Status Review: Towards the end of the transition funding the centre applies for a further period of recognition as an ESRC centre to help it leverage funding from other sources and in communicating and engaging with research users.

These three graduated phases of ESRC support, and ESRC institutes, are outlined in more detail at <https://esrc.ukri.org/funding/guidance-for-large-investments/esrc-centres-and-institutes/>.