

Sustaining University Research Expertise (SURE) fund: guidance for higher education providers

16 November 2020



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This publication sets out the process for applying for support through the Sustaining University Research Expertise (SURE) fund.

Eligible higher education providers (HEPs) in England, Wales, Scotland and Northern Ireland, wishing to access support through the SURE fund are invited to make a submission through the SURE Fund Portal by **noon on 18 December 2020**.

Expressions of Interest (EOIs) relating to participation in the SURE programme must be completed through the SURE fund portal by **17:00 on 23 November 2020**.

Details of how to register to access the SURE fund portal have been sent to the heads of institution of eligible HEPs.

The information required for the completion of a SURE fund EOI and for the application process are attached as annexes to this guidance. However, the EOI and application processes must be completed through the SURE fund portal.

Please direct queries relating to the SURE fund, by email, to SUREfund@ukri.org

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SURE Fund Guidance for Providers

Introduction

1. The UK's world-class research and researchers play a vital role in delivering local and national economic prosperity through discovery and innovation. By generating the knowledge we need for our future, this research helps to deliver higher levels of productivity and anchors research and development (R&D)-intensive companies to the UK. It will be a significant element in achieving the government's ambition of positioning the UK as a science and technology superpower, developing highly skilled people and shaping new ideas and technologies to accelerate research and innovation.
2. Maintaining the university research base is therefore critical to the UK. Some of this research, however, is at risk from a range of income losses as a result of the coronavirus pandemic. On 27 June 2020, the government [announced a significant investment](#) targeted at sustaining research and innovation activity and capacity in HEPs across the UK. Further detail on the process for delivering this investment was provided on 6 November 2020.

What is the SURE fund?

3. The SURE fund is intended to bolster those HEPs who are taking their own steps to deliver efficiencies, in line with the rest of the economy, to protect their research capacity and capability through the coronavirus pandemic. To achieve this, the government will, through this fund, cover up to 80% of a HEP's income losses from international (non-EU) students for the academic year 2020-21, up to the value of non-publicly funded research (including activity which the HEP funds itself) undertaken at that HEP.
4. Funding will be available in the financial year 2020-21 for individual HEPs and will comprise a loan on long-term, low interest terms, supplemented by a small proportion of grant.
5. SURE aims to:
 - enable research and innovation activity to continue where it is disproportionately impacted by the loss of key income streams.
 - preserve the capacity and capability of research departments, including the retention of researchers.
 - protect HEPs and the vital research they carry out from income losses that would otherwise prevent continuation of research and innovation which support local and national economic prosperity.

- demonstrate commitment to research by identifying and supporting activity that will bolster the UK's world-leading university system, from pandemic through to recovery and renewed growth.
 - Safeguard the continuation and evolution of future science and research in the UK at our HEPs and support their critical collaborations with business.
6. The SURE fund is a UK wide initiative, and has been developed by the Department for Business, Energy and Industrial Strategy (BEIS) and UK Research and Innovation (UKRI) in close collaboration with the Higher Education (HE) funding bodies across the United Kingdom. For the purposes of this guidance, references to "HE funding bodies" refer to Research England, the Higher Education Funding Council for Wales (HEFCW), the Scottish Funding Council (SFC), and the Department for the Economy in Northern Ireland (DfENI) "We" refers to UKRI and these HE funding bodies.

How will SURE work?

7. **Eligibility:** All HEPs in receipt of funding for research from the relevant national HE funding body will be eligible to apply.
8. The support available through the SURE fund will be a mix of **at least 75% loan and up to 25% grant**. Given the recent positive data on overall international student recruitment for the academic year 2020-21, the support provided will be almost entirely in the form of a loan. At a sector level, the total amount of grant available has been adjusted to take account of the total value of grants allocated through UKRI's costed grant extension allocation and the National Academies scheme. For further details on how SURE allocations are calculated, see paragraphs 32-34 and Annex D.
9. The data on international student fee income that will be used to calculate the SURE allocation is based on baseline data from the academic year 2018-19 and predicted numbers for the academic year 2020-21 collected by the relevant HE funder or regulator as at 30 October 2020. As the amount available to a HEP uses baseline data on international student fee income from the academic year 2018-19 and predicted numbers for the academic year 2020-21, we do not expect those HEPs who have returned an increase in international student fee income between academic years 2018-19 and 2020-21 to submit an EOI.
10. HEPs applying for an allocation must accept the combination of loan-plus-grant on offer and cannot opt for just the grant or the loan element. HEPs will be able to request an amount of support lower than the maximum allocation indicated, but this will still comprise the same ratio of loan to grant.

11. We will expect HEPs to report against their use of the support they receive through SURE in line with the objectives of the programme and the conditions of funding. This reporting can include activities undertaken over the course of the academic year 2020-21, prior to receipt of support from SURE. As the aim of programme is to address short-term losses in research-related income, we expect most HEPs to have spent their allocation by 31 July 2022. Where HEPs expect funds to be disbursed over a longer period, they will need to explain in their application how this addresses the criteria and conditions of the fund.

12. Table 1 sets out the indicative timeline for the delivery of the SURE.

Table 1 Indicative Timetable for submission and assessment [subject to change]

30 October 2020	Deadline for collection of international student recruitment information through the relevant funding or regulatory body
6 November 2020	Update on SURE funding decisions published on gov.uk, including indicative terms of loans and interest rate and the approach that will be used to produce indicative institutional level allocations
16 November 2020	Detailed guidance for applicants published. Applicants will be notified of the arrangements for registering on the SURE fund portal EOI process opens via the SURE fund portal
23 November 2020	17:00 EOI process closes Engagement about the SURE fund and due diligence process on loans with HEPs begins
November 2020	Information on maximum SURE fund allocation issued to prospective applicants following completion of EOI
Midday 18 December 2021	Deadline for submission of applications for SURE via the SURE fund portal
January / February 2021	Due diligence process for loan applications Assessment of applications
5 February 2021	Deadline for confirmation that providers have consent from other interested parties (lenders) to receive SURE loan funding
February / March 2021	Decisions communicated to HEPs; funds released
31 March 2021	All payments to have been made. Funds to have been accounted for by end of financial year 2020-21
April 2021 onwards	Monitoring of expenditure commences
31 July 2021	Monitoring (financial report on use of SURE funds during financial year 2020-21)

December 2021	HEPs provide initial monitoring report on use of SURE funds
From 31 January 2022	First repayment of loan element – a year after the loan is paid
31 July 2022	End date for use of SURE funds (unless exceptionally agreed)
December 2022	Final monitoring report on use of SURE funds

Expressions of Interest

13. Alongside the publication of this guidance, an EOI process has been launched. HEPs interested in seeking support through SURE are **required to respond through the EOI process** to indicate whether they wish to participate in the programme. Through it, we will seek an early indication of whether HEPs wish to apply for funding. We will also seek agreement that relevant institutional data from Transparent Approach to Costing (TRAC) returns and financial forecast data on international student fee income for the academic year 2020-21 can be shared with UKRI and BEIS delivery teams for the specific purposes associated with calculating potential SURE allocations. We will also seek agreement for financial monitoring data supplied by providers to their relevant HE funding body or regulator to be shared with UKRI and BEIS Business Investment Team solely for use in connection with the due diligence process for SURE loans. See **Annex A** for the information that needs to be included in the EOI.
14. **The EOI should be completed through the SURE fund portal no later than 17:00 on Monday 23 November 2020. Information required to access the online portal will be provided to the heads of institution of eligible HEPs by email.**
15. Completion of the EOI process will assist in the timely processing of applications and enable the calculation of maximum allocations. If HEPs do not complete the EOI form they **will not** be eligible to submit an application, as they will not have confirmed that they agree with the data-sharing requirements which are necessary for their application to be assessed.
16. As SURE support is a combination of loan and grant, due diligence checks to confirm HEPs' capacity to repay the loan element will be undertaken by the Business Investment Team at BEIS (acting as the loan agent). This due diligence process will commence once an EOI indicating that a HEP is interested in applying has been submitted but will cease if no application is received by the submission deadline. See paragraph 43 to 44 and Annex C for further details on the loan element of the SURE fund.

Conditions of funding

17. Through the application process HEPs will need to demonstrate that they will meet the conditions attached to SURE funding. These are as follows:

- funding must be spent on research and innovation, including knowledge exchange activity
- funding must be spent on sustaining high-quality research capacity and capability
- within the context of their existing research and innovation portfolio, HEPs will be expected to prioritise science, engineering, technology and mathematics (STEM) research and areas of research typically funded by charities and businesses
- HEPs will need to set out a proposed process to take their own steps to create efficiencies in the delivery of research and innovation activity, (see paragraphs 20 to 23).

18. HEPs will be expected to indicate the broad areas of research and innovation activity which they have supported and will support through SURE. HEPs will also need to provide assurance around the process by which they undertake their prioritisation of research and innovation activity in line with the stated conditions set out in paragraph 17.

19. HEPs should set out the reason why they require additional public funding, including what steps they have taken (such as creating efficiencies) to reduce this requirement. They must also set out what practical steps they will take to mitigate risks of similar income fluctuations in the future.

20. In considering efficiencies, we note that HEPs have already made substantial efforts to reduce costs during the pandemic, balancing the increased costs they have incurred in supporting students to commence and continue to study. These efforts have included senior staff foregoing planned pay increases and, in some cases, accepting pay reductions in recognition of the difficult financial position which HEPs are now in. To provide a full picture of efforts made to date, HEPs will be asked to indicate briefly, and at a high level, where steps have already been taken and what steps are planned for the future.

21. As part of the condition relating to efficiency, HEPs in England will be expected to make the following additional commitments regarding pay transparency and financial reporting:

Pay Transparency

22. In addition to existing pay reporting requirements published by the Office for Students (OfS), HEPs participating in SURE will be asked to publish the pay bands (in bands of £5,000) that members of their executive board and staff in administrator roles are in. This applies to staff earning above £100,000/year (it will involve identifying the **number** of staff falling in each pay band, but not the naming of either posts or individuals). HEPs will be expected to publish this information annually for the period of the SURE loan, up to the end of the academic year 2030-31 or until the loan is repaid.
23. As part of the SURE plan, HEPs will also have to set out what they have already done with regard to senior pay restraint in response to COVID-19, and what further action they have planned for pay over the period of their grant and loan expenditure (that is to the end of academic year 2021-22). HEPs will be expected to report on this annually until the end of academic year 2021-22, as part of their SURE Fund annual reporting.

Financial reporting

24. As a condition of accessing SURE support, the relevant government departments (BEIS, HM Treasury and the Department for Education (DfE)) will, where needed, have access to the financial information that the HEP provides to the OfS in order to help assess research efficiency within the context of the wider operations of the institution. This will be for the duration of the loan period, up to the end of the academic year 2030-31 or until the loan is repaid.
25. As HE is a devolved area of responsibility, the additional conditions regarding pay transparency and financial reporting outlined above will not apply to HEPs in Scotland, Wales and Northern Ireland.

Other conditions

26. To be eligible for funding HEPs in England will be obliged to confirm that they will fully comply with their existing legal duties to secure freedom of speech under section 43 of the Education (No.2) Act 1986.
27. HEPs will be expected to commit to working with the UK government on delivery of the R&D Roadmap and ambitions; and to provide baseline evidence and necessary monitoring information to demonstrate delivery (where this is not available from other sources).

28. HEPs will need to confirm that they will comply with the terms and conditions attached to both the loan and the grant elements of the support; and that they will supply relevant monitoring and reporting evidence to provide assurance that the funding provided has been used in line with the stated objectives.
29. The names of participating HEPs and the allocations they receive will be published by UKRI once the funding has been disbursed.
30. HEPs will need to provide evidence that they have the appropriate management and governance arrangements in place to give assurance that the financial support they receive will be used appropriately.
31. All applications, together with the accompanying SURE plans, will be assessed by the relevant HE funding body, as appropriate. Further detail on the assessment process is set out at paragraph 45 to 64 below. We expect that all decisions will be communicated by the end of February 2021 so that SURE funds can be disbursed in the financial year 2020-21. Some applications may be passed conditionally and subject to final adjustments, or to the submission of additional data.

How will the maximum SURE fund allocation for HEPs be calculated?

32. Once an EOI has been submitted, HEPs will be given further details about how their maximum SURE fund allocation has been calculated (see Annex D for a worked example). For each HEP, it will be calculated as 80% of losses from overseas (non-EU) student fee income, capped by the total research income from non-public sources including from cross-subsidies. We are using the following data sources to underpin these calculations:

Loss in fees from overseas (non-EU) students

33. The formula for each HEP is:

Loss = (2018-19 overseas student fee income) – (2020-21 overseas student fee income)

Data sources:

- **2018-19 overseas (non-EU) student fee income** from the Higher Education Statistics Agency (HESA) Finance Record or the OfS Annual Financial Return
- **2020-21 overseas (non-EU) student fee income** from financial data returns submitted, in October 2020, to the OfS for England and Northern Ireland, and the devolved funding bodies in Wales and Scotland.

Given the need to deliver funds to HEPs prior to the end of the financial year 2020-21, there will not be the opportunity for any further data collection to update the data derived from these data returns.

Non-public research funding

34. This is calculated as the sum of research income from businesses and charities, plus spending on research that the HEP funds itself.

Non-public research funding = (2016-17 to 2018-19 income from businesses for research) + (2016-17 to 2018-19 income from charities for research) + (2016-17 to 2018-19 university funded research spending)

Data sources:

- **three-year average of research income for 2016-17 to 2018-19 from UK, EU and non-EU charities taken from the HESA Finance Record or the OfS Annual Financial Return** (with a scaling factor applied, so that the sum across the sector equates to the 2018-19 sector total)
- **three-year average of research income for 2016-17 to 2018-19 from UK, EU and non-EU businesses taken from the HESA Finance Record or the OfS Annual Financial Return** (with a scaling factor applied, so that the sum across the sector equates to the 2018-19 sector total)
- **2016-17 to 2018-19 three-year average of research deficit (if surplus set to zero) plus institution's own-funded 'income' taken from 2016-17 to 2018-19 TRAC** returns (with a scaling factor applied, so that the sum across the sector equates to the 2018-19 sector total) .

Note that this is the HEP funding for research which was not funded by any other source. It is included to account for the fact that HEPs often subsidise research with profits from other activities which may be at risk from COVID-19.

Submission of applications to the SURE fund

35. Eligible HEPs wishing to access support through the SURE fund should complete an application via the online portal, uploading relevant documents as requested in this guidance and on the portal. Annex B provides details of the information that must be included in the application.

36. HEPs will be required to:

- set out in broad terms how they intend to use the support they receive to meet the objectives of the SURE fund and what they anticipate the impacts to be

- set out in broad terms how this support will help the HEPs fulfil their strategic objectives for research and knowledge exchange
- confirm that they will meet the conditions specified in paragraphs 17-31.

37. The application must be accompanied by a brief 'SURE plan' completed using the template available through the SURE portal. This plan should set out a HEP's approach to maintaining capacity and capability for research and innovation through the use of the financial support it receives (both the grant and the loan elements) and its commitment to addressing the conditions of funding. The plan will be assessed prior to release of funding, and subsequently monitored and audited.

38. The application should set out in broad terms how, as appropriate to the HEPs mission and strategy for research and innovation, support from SURE will be used to address the criteria set out in paragraph 45. Whilst all HEPs must ensure that financial support received is spent in line with the conditions of the SURE fund, the extent to which each of these criteria are addressed through the HEPs SURE plan will necessarily reflect the emphasis placed upon these activities in their existing research and innovation strategies. Subsequent monitoring reports will need to set out in greater detail how the HEP's broad objectives for the use of SURE support have been achieved, including providing evidence of its expected impact. HEPs must report any material variation to the plan in a timely way. See paragraph 69 -71 for further guidance on variations to SURE plans.

39. HEPs should set out the key risks to successful delivery and the ways these will be mitigated, and should evidence an understanding of the resources (physical, financial, human and intellectual) required to deliver their SURE plan.

40. It is not expected that HEPs will need to alter their existing research and/or knowledge exchange strategies for the purposes of this exercise. However, it is expected that those research and knowledge exchange strategies will have been reviewed in light of the pandemic.

41. HEPs will need to provide confirmation that their application to the SURE fund is supported by both the Executive (through the Accountable Officer/Chief Executive Officer or equivalent) and their Governing Body, reflecting the need for the Governing Body to consider the sustainability of the financial commitments associated with the loan element of the package.

42. The deadline for submission is noon on 18 December 2020.

Terms of the loan

43. The UK government's announcement of 27 June 2020 stated that there would be a generic loan offer, with low interest rates and a long repayment period. In summary, as noted in the update of 6 November, the terms of the loan are as follows:

- the interest rate will be 0.55% per annum
- the amortised loan will be based on scheduled annual repayments applied to both the principal and the interest, and there will be a payback period of 10 years, with the first repayment due a year after the loan is paid
- flexibility to repay early will be set out in the loan agreement. HEPs will not be able to repay the loan element until after the first scheduled repayment date, but then can repay the whole or part of the loan (minimum £1m) without penalty.

44. See Annex C for further details of the key terms of the loan agreement

Assessment and Decision-making

Criteria for assessing applications

45. In considering submissions, the assessment process will draw on the information contained in the SURE plan, responses to the questions set out in the submission documentation, and other relevant external data sources. Submissions and subsequent monitoring reports will be assessed against the criteria set out below:

i) The extent to which the plan evidences the approach being taken to sustain the high quality research capacity and capability of the provider. In completing their SURE plan, HEPs should provide a high-level indication of their objectives in relation to the following, as appropriate to their mission and strategy for research and innovation:

- a description of how the proposed approach has and will continue to **contribute to maintaining the research workforce** – ensuring research staff jobs are maintained (or losses are limited) especially for high potential researchers most at risk and those in training. This might include retaining existing early-career researchers, minimising losses of those on short-term contracts, keeping the most talented researchers in the UK system, supporting the PhD researcher pipeline through support for research training, providing career opportunities for new post-doctoral researchers, and retaining technicians and other professional staff required to support and undertake research and knowledge exchange
- **evidence of how SURE support will enable vital HE research and innovation activity (including knowledge exchange) to continue to**

successful completion – for example by funding high-priority research which would otherwise have been funded through other means (income which has been lost) to completion. This will be particularly important for areas ‘vacated’ by other funders (business and charities) including medical research and engineering, for example, or to preserve existing business/university collaboration so that there is a good foundation to build on when private investment in the research base recovers

- evidence of **how the proposed approach will take account of equality, diversity and inclusion considerations**
- ensuring that **research capital and other research assets are maintained and that capital projects (facilities and equipment) linked to capability and capacity priorities continue to be supported**. SURE aims to support work disrupted by the pandemic, which may include some capital projects, though HEPs should note that the timescales for eligible spend will still apply to any capital investment.

ii) A clearly articulated focus on research activity and knowledge exchange.

HEPs, as appropriate to their mission and strategy for research and innovation, should:

- provide a high-level outline of their plan for a number of areas of spend on research **across a range of disciplines**
- outline their approach to **supporting innovation and knowledge exchange capabilities**, which may include business engagement, business incubation, research commercialisation, and innovation facilities. They should describe how this activity will enhance a HEP’s role in supporting ‘place’ and how it will support economic recovery from the consequences of the pandemic.

iii) How within the context of their existing research and innovation portfolio, HEPs prioritise STEM disciplines and areas of research typically funded by charities and businesses.

HEPs should include, as appropriate to their mission and strategy for research and innovation, a brief outline of how they will prioritise areas of research typically funded by charities and businesses prior to the onset of the pandemic as well as STEM research. This should include highlighting how they have consulted and worked with relevant funders from charities and businesses in determining how to support research activity and maintain partnerships in key business sectors, including with small and medium-sized

enterprises (SMEs), and with strategic partners, including the NHS and government organisations.

iv) Evidence of HEP's plan to ensure efficient operation of research and knowledge exchange activity and demonstrate value for money for the public purse.

HEPs should provide, as appropriate to their mission and strategy for research and innovation, an outline of how they are creating efficiencies. To be considered in conjunction with above, this may include:

- any "savings" made from ongoing research operations
- identifying non-priority activities paused or stopped
- collaborative activities undertaken to increase efficiency
- internal resources redeployed onto research
- reductions arising from pay restraint (such as reductions in senior staff salaries) and plans for how efficiencies in this area will be delivered in future.

v) Evidence that effective governance and management underpins the SURE plan

HEPs should provide evidence that their plan is financially viable; risks to delivery have been considered and, where appropriate, mitigated; and that there is a clear understanding of the resources required to implement it. HEPs should explain why additional public funding is required and describe the steps taken to reduce this requirement and mitigate risks of similar income fluctuations in future.

The plan should indicate how delivery will be reviewed and, if necessary, adapted to reflect changing priorities.

In subsequent monitoring reports, HEPs will be required to provide further detail and evidence to show how the objectives set out in their plans to address each of the criteria have been delivered.

Due diligence to support the loan element of the SURE package

46. Assessment of each submission will be complemented by a parallel assessment of each HEP's financial position by the Business Investment Team at BEIS, acting as the loan agent responsible for the loan element of the SURE support package.

47. HEPs are required to confirm, at the EOI stage, that the relevant HE funding body or regulator can provide the loan agent with material to support the due diligence work required for the loan application. The materials which need to be provided to support this assessment are:

- i) audited financial statements for 2018-19 and 2019-20 (when available)
- ii) information, commentary and supporting schedules as supplied to the relevant HE funding body or regulator:
 - for HEPs in England: OfS: Interim Financial Data Collection Workbook 2020
 - for HEPs in Scotland: SFC: 2020 Strategic Plan Forecasts and updates as set out in SFC/CI/06/2020
 - for HEPs in Wales: HEFCW: Financial Forecasts, Commentary and Cash flow templates from Request for Forecasts 2020 and updates
 - for HEPs in Northern Ireland DfENI: Interim Financial Data Collection Workbook 2020 (administered by OfS on behalf of DfENI)

48. Additional summary forecasts for 2021-22 (including cash flow forecasts) should be provided with the submission if not included in the returns to the relevant HE funders or regulators listed above.

49. HEPs should provide evidence that the loan repayments are affordable. This may be by reference to forecasts already included in the material set out above, or by reference to new or updated material as necessary.

50. We anticipate that, for the majority of HEPs, the assessment should be straight forward if satisfactory financial information is supplied as requested. For some HEPs, with a more complex financial position, the BEIS Business Investment Team, acting as the loan agent, may need to contact the applicant for further explanations and information before reaching a decision on whether the HEP can take up SURE support.

51. Prior to making a submission, HEPs should ensure that they have had the necessary discussions with their governing bodies and other lenders to satisfy themselves that they can meet all the financial obligations which accepting SURE support might involve and are aware of the implications for their future financial sustainability. If it is not possible to conclude these discussions by the submission deadline, HEPs wishing to submit may do so, but they must indicate that the application is subject to receipt of suitable approvals from other lenders. Necessary assurance that other lenders have granted approval will need to be provided at a later date. Awards will not be issued until such confirmation has

been received. If such confirmation is not received by **5 February 2021**, the application will be judged to have been unsuccessful, as it will not be possible to process applications completed after this date for funding to be disbursed before 31 March 2021.

52. There may be some HEPs who, following the due diligence process, are not in a position to access financial support through the SURE package.

Decision-making

53. Each submission and the accompanying SURE plan will be reviewed by the appropriate HE funding body using the process set out below.

54. Assessors will review all the materials submitted and make an assessment as to whether they, in their totality, provide sufficient evidence that the HEP has addressed the criteria set out in paragraph 45 and has met and will continue to meeting the SURE fund's objectives through the activities proposed in their plan.

55. Once the materials have been reviewed, the assessors will make one of two provisional recommendations:

- meets the requirements of the SURE fund
- does not meet the requirements of the SURE fund

56. The loan agent will assess of the financial viability of the proposed investment through the due diligence process.

57. A Delivery Board, chaired by UKRI, will consider the assessments. This board will coordinate the overall programme and ensure consistency of approach in assessments, before making recommendations for final sign-off to an Investment Board, chaired by BEIS.

58. Table 2 sets out further detail on the process.

Table 2: SURE recommendations

Evaluation outcome	Definition	Next steps and outcome
Meets	The HEP's SURE plan meets the agreed objectives of the SURE fund	Recommend approval of SURE plan to Investment Board. Submission successful subject to confirmation by Investment Board and taking into consideration (i) recommendation of loan agent on financial viability and (ii) any supporting comments made by the assessor
Does not meet	<p>The HEP's SURE plan does not meet the objectives of the SURE fund, because</p> <p>(i) Areas for improvement are too significant to be addressed by the HEP in the time available</p> <p>and/or</p> <p>(ii) Applications in which the loan requirement is assessed to be unviable.</p>	<p>HEPs receiving this judgement will already have been engaged with to address concerns during the assessment process and will have been offered the opportunity to revise and/or submit additional material for assessment. This outcome will only be recommended when these mechanisms have been exhausted.</p> <p>Recommendation to the Investment Board that the SURE Plan does not meet requirements.</p> <p>If the recommendation is upheld, then SURE funding will not be provided. In complex cases, this decision will be further reviewed.</p>

59. If the SURE Plan does not fully meet the objectives of the fund, but the concerns are **not** significant, and changes are achievable within the timeframe available, further information may be requested. In such cases the relevant HE funding body will engage further with the HEP to discuss how their plan needs to be amended to meet the criteria for support. The HEP will then have an opportunity, within a limited timeframe, to revise and provide further information before a final recommendation to the Delivery Board is made. Similarly, if further information is

required for an assessment of the financial viability of the loan element, the BEIS Business Investment Team will engage further with the HEP to seek the relevant information. If the changes implemented satisfy requirements, a recommendation of 'meets' can be considered by the Delivery Board, and proposed by them to the Investment Board; if the changes fail to satisfy requirements, a recommendation of "does not meet" will be made.

60. In certain cases, the SURE Investment Board or SURE Project Board may be required to provide additional scrutiny before a final decision is reached. Prior to the submission deadline, HEPs will have opportunities to engage with the relevant HE funding bodies in the devolved administrations with regards to their SURE Plan or the BEIS Business Investment Team in respect to the loan value, terms and conditions. It may also be necessary for colleagues to raise queries with HEPs during the assessment phase. Through this engagement with the relevant HE funding body or BEIS Business Investment Team we hope to constructively and collaboratively resolve any issues relating to a HEP's access to SURE funding. The submission and assessment processes are intended to mitigate the risk of an unexpected refusal of SURE funding.
61. All decisions are ratified by the SURE Delivery Board and the SURE Investment Board therefore all submissions will have undergone robust scrutiny to ensure a consistent and fair approach has been taken. However, we recognise that there could be instances where the extent of support available, or the outcome of the assessment process, does not meet a HEP's expectations with regards to access to SURE support. In such instances, we will work with the HEP to ensure that the rationale for any decision is clearly communicated, is clearly understood and is accurate.
62. If, during the submission and assessment process, HEPs have concerns which are not being addressed through their engagement with the relevant HE funding body, then can raise their concerns by writing to the following email address:
SUREfund@ukri.org
63. A case manager will then be assigned to assist in clarifying or resolving the issue or issues raised, where necessary through discussion with the UKRI Programme Manager for SURE, the Delivery Board or the Investment Board.
64. If this process does not resolve the issue, HEPs should follow the complaints procedure with the relevant HE funding body (UKRI for HEPs in England). It should be noted that any such concerns will need to be raised promptly as funds must be allocated to all eligible HEPs by 31 March 2021.

Allocation of funds

65. Successful applicants will be offered an award, and will have five working days from the date that the offer letter has been received to confirm acceptance of the award and of its terms and conditions. Acceptance of awards must be confirmed by successful HEPs by 31 March 2021.
66. SURE plans will need to demonstrate how HEPs have undertaken eligible research and innovation activities in line with the objectives of the SURE programme **up to the total provided through the grant element of the funding** between 1 August 2020 and 31 March 2021. This time period recognises that HEPs will already have been making decisions affecting their future research and innovation strategies and priorities, and that resources will already have been committed to deliver change in line with the objectives of SURE.

Monitoring and evaluation

Monitoring

67. A monitoring and evaluation programme will be put in place to ensure institutions deliver against their SURE plans and to assess the overall impact of the programme. HEPs will be required to provide annual monitoring reports covering the use of the grant and loan elements. Full details of the monitoring requirements will be included in award letters to successful applicants.
68. If subsequent reporting or investigation reveals that HEPs have breached the conditions of the support they have received (by spending SURE funds on ineligible activity), this could lead to the recovery of funds already provided.
69. We recognise that implementation of a SURE plan may vary from the originally approved plan and that some flexibility in these plans is needed to allow each HEP to respond as more detail of the challenges to their research capability and capacity becomes available. However, it is not generally expected that HEPs will need to materially alter their plans, but, where this is the case, HEPs will be required to report this information to UKRI or the relevant devolved HE funding body so that assurance can be provided that any revisions continue to satisfy the conditions of funding. Further details on how to report material variations will be provided in the award letters.
70. Once an award has been made, the HEP should report significant changes in the delivery of the plan to the relevant HE funding body, and necessary adjustments made to its SURE plan will be agreed by the SURE Delivery Board.

71. If significant changes are reported then the relevant HE funding body will review these against the SURE Fund's objectives. The funding body will then make a recommendation to the Delivery Board as to whether the HEP's intended activities still meet the conditions of the SURE fund.
72. In many fields of research there can be a significant time lag between intervention and evidence of wider impacts. As a result, monitoring in the medium term will focus on the extent to which funding enables existing activity levels to be maintained and research posts protected.
73. Final reports on delivery to UKRI will be required by 31 December 2022 with additional reporting for those HEPs where it has been agreed that SURE support may be spent over a longer period. There may be ongoing reporting requirements to BEIS in respect of the repayment of the loan. For HEPs in England, conditions relating to reporting pay transparency and financial reporting will remain in place for the duration of the loan.

Evaluation

74. The SURE programme will be evaluated, and recipients of SURE support will be required to participate in this process, including by supplying additional information and data as required. This additional information could include case studies which demonstrate the use and impact of the support provided. The evaluation may be published.
75. Collectively, the monitoring and evaluation programme will:
- ensure that funding has been directed at critical areas of research and innovation in HEPs
 - assess and monitor the effective management of funding by recipients
 - evaluate and assess the impact of the funding and provide assurances which demonstrate that SURE support contributed to the preservation and continuation of high-quality research and knowledge exchange
 - contribute to the wider evidence base on the impact of COVID19 and inform future policy development

Communications

76. Queries relating to the development of a submission to the SURE fund should be directed to the following email address: SUREFund@ukri.org.
77. Queries received through this email address above will be forwarded to the appropriate HE funding body where appropriate. This will enable responses to take account of the relevant national priorities and context.

Data protection and freedom of information

78. All data provided to UKRI in connection with the SURE programme will be processed in accordance with current UK data protection legislation. It will only be used to make the assessment needed to determine HEPs' SURE awards and for purposes related to the monitoring and evaluation of those awards. It will be shared with HE funders and BEIS for these purposes. Further information is available in the [UKRI Privacy Notice](#).
79. UKRI, the BEIS Business Investment Team and the HE funding bodies are subject to legislation, including the Freedom of Information Act 2000 and the Freedom of Information (Scotland) Act 2002, which gives a public right of access to information held by a public authority. This may result in application material, communications between these organisations and HEPs, information arising from this work, or the outputs from the work undertaken being subject to disclosure if a valid request is made to these organisations. The organisations listed above will comply with such requests in accordance with the appropriate legislation and their own policies.
80. Information submitted by HEPs or by the relevant HE funding or regulatory body acting on its behalf, to demonstrate that it satisfies the financial due diligence requirements will be used solely to monitor and report on financial sustainability of the HEP for the purpose of its SURE fund application. However, HEPs from England are reminded that a condition of acceptance of SURE support is that a that financial reporting information provided to the OfS will be shared with BEIS, HM Treasury and the DfE for the purposes of helping to assess research efficiency within the context of the wider operations of the HEP, where needed.
81. Where a provider agrees that the relevant HE funding or regulatory body may share financial reporting information for the purposes of the due diligence work but does not subsequently proceed with an application, the data provided to the loan agent will be deleted and not further processed. In all circumstances, data provided in support of the financial due diligence of the loan will only be retained for as long as is necessary to process the loan and monitor the repayment of the loan.
82. Judgements as to a HEP's financial performance and position are solely for the purpose of this application to SURE. Neither the HEP nor any third party may place any reliance on such a judgement.
83. HEPs can, if they wish, provide potentially sensitive information (such as information relating to commercial interests) in a separate document submitted with the application. This will highlight that have concerns about the information's disclosure. However, HEPs are advised not to include personal data or

information in their submissions. Where appropriate and practicable, the BEIS Business Investment Team and the HE funding bodies will seek the views of applicants before disclosing information contained in this part of the application in response to a Freedom of Information request. Applicants acknowledge that information provided which is highlighted as being sensitive is of indicative value only, and that the organisations above may nevertheless be obliged to disclose this information. It is assumed that all information contained in the main application documents can be disclosed on request.

84. For further information on the Freedom of Information Act see www.ico.org.uk.

Public sector equality duty

85. In running this scheme, UKRI and the HE funding bodies are and will remain cognisant of their duty to have due regard to the need to eliminate discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010, to advance equality of opportunity and to foster good relations between people who share a relevant protected characteristic, as cited under the Equality Act 2010, and those who do not share it.

86. Monitoring of early impacts¹ of the pandemic shows individuals from protected groups are likely to be more negatively impacted. Specifically:

- i. some groups may be more likely to be on short term contracts and therefore vulnerable (for example, women)
- ii. certain groups are facing additional difficulties which may impact their ability to continue to work (for example, disabled people, who can no longer access adjusted environments and support).

87. In addition, existing UKRI data and evidence suggest that there are already disparities between groups in terms of representation and career progression and success, and that the pandemic may be exacerbating the challenges faced by some groups.

88. Support from the SURE package will allow HEPs to ensure that they can better deliver the additional support required, and protect those groups who are more at risk of redundancy. We encourage HEPs to prioritise evidence gathering and support for those groups who are more negatively impacted. The approach to monitoring and evaluation will require HEPs to demonstrate how they have assessed impacts on equality and prioritised support in relation to the needs identified.

¹ See [Annex E](#) for survey results of concerns for groups protected by the Equality Act

Annexes:

- Annex A: Expression of Interest Template (for information only; applications must be completed through the SURE Portal)
- Annex B: Application Template (for information only; applications must be completed through the SURE Portal)
- Annex C: SURE Term Loan Agreement Key Points
- Annex D: Worked example of indicative allocation
- Annex E Findings of survey on Covid19 impacts on researchers with protected characteristics

Annex A – Expression of Interest Template

Please Note: This annex is for illustrative purposes only and shows the information that will need to be provided on the SURE Fund online portal.

Please do not complete this form directly.

Your Higher Education Provider

UKPRN10008010

Address

Town

County

Postcode

Country

Higher Education funding/regulatory body

Interest in SURE Fund

Are you intending to apply for the SURE Fund?

Yes/No

Declarations

Data used within the SURE formula includes forecast income on international student fees for AY 2020-21. The non-public research funding element of the formula uses data on research deficits and HEPs' own-funded "income" from the 2016-17, 2017-18, and 2018-19 Transparent Approach to Costing (TRAC) returns. Though processing of the fee income and TRAC data for the SURE Fund will be limited to UK Research and Innovation (UKRI), the SURE allocations at provider level will be available to BEIS and the Business Investment Team acting as the loan agent.

Higher Education Providers (HEPs) should note that once SURE allocations at provider level are shared it is possible for the forecast income on international student fees for AY 2020-21 and the elements of the TRAC data used within the formula to be identified by deduction, as other elements of the formula are in the public domain. By applying for support through the SURE Fund, HEPs will be confirming that they grant permission for the SURE allocations to be made available

to, and processed by, BEIS and the Business Investment Team acting as the loan agent.

Additionally, as the institution-specific SURE allocation tables will be hosted on the SURE portal HEPs should be aware that administrators of this portal will have access to the tables which will include the data used within the formula.

All other data provided to UK Research and Innovation in connection with the SURE scheme will only be used to make the assessment needed to determine your HEP's SURE award and for purposes related to the monitoring and evaluation of that award. It will be shared with devolved funders and BEIS for these purposes. Further information can be found in the UK Research and Innovation Privacy Notice (<https://www.ukri.org/privacy-notice/>).

Noting the above, do you agree to allow your HEP's SURE allocation to be shared with BEIS and the Business Investment Team acting as the loan agent?

Noting the above, do you agree to allow other data to be shared with devolved funders and BEIS for assessment and monitoring purposes in connection with the SURE Fund? **Yes/No**

Preliminary Financial Review

In order for us to undertake the financial due diligence in relation to the loan element of the SURE fund, you **must** agree for the following material for your HEP to be provided by the relevant Higher Education funding/regulatory body for this purpose:

The information, commentary and supporting schedules as supplied to the relevant funding/regulatory bodies, including:

- For England: OfS - Interim Financial Data Collection Workbook 2020
- For Northern Ireland: DfENI - Interim Financial Data Collection Workbook 2020 (administered by OfS on behalf of DfENI)
- For Scotland: SFC - Financial Forecast Update 2020 and updates as set out in SFC/CI/06/2020
- For Wales: HEFCW - Financial Forecasts, Commentary and Cash flow templates from Request for Forecasts 2020 and updates

Financial forecasts in respect of 2021/22 if not already included in the above returns to funders or regulator

We may also request your audited financial statements for 2019/20 (when available)

Do you agree for the relevant Higher Education funding/regulatory body to supply the above financial monitoring and reporting information to us for the purpose of administering the SURE Fund?

Yes/No

Do you agree that we may engage with the relevant Higher Education funding/regulatory body in order for them to share information with us regarding your HEP for the purpose of administering the SURE Fund?

Yes/No

In order to assist with the due diligence process, we will need access to your audited financial statements for 2018/19. Are they available for us to access online?

Yes/No

Please enter the specific web address/URL for us to access your audited financial statements for 2018/19 or upload the relevant document (max 8mb)

Initial Financial Information

The following questions will help us plan and schedule our financial review work. Your responses to these questions will not in themselves determine the outcome of your application.

How regularly are you (the HEP) required to supply financial monitoring reports or returns to your HE funding/regulatory body?

Annually/Other (if Other, please specify frequency)

Are you subject to any enhanced reporting or monitoring requirements set by your HE funding/regulatory body?

Yes/No

Are there any specific conditions set by the HE funding/regulatory body relating to your financial sustainability or financial health?

Yes/No

Have you informed your HE funding/regulatory body of any financial viability or cash flow issues within the last 2 years?

Yes/No

Are you required to obtain the consent of lenders or funders before taking on the SURE loan?

Yes/No

Additional Contacts

Primary Contact

Please provide the following details for the person in your HEP who will be the primary contact regarding your application.

The details should be their business contact details, not their personal contact details.

Full name

Position

Is the correspondence address for the primary contact the same as the HEP address provided in Section A? **Yes/No**

Landline phone number

Mobile phone number

Email address

Contact for Financial Review

Please provide the following details for the person in your HEP who will be the contact for queries related to the financial review. This person should be authorised to provide and discuss financial information regarding your HEP and your application. This could be a Finance Director for example.

[Details as for primary contact above]

Check and Submit Expression of Interest

To submit this Expression of Interest, you must have the appropriate level of authority to make a decision relating to participation in the SURE programme. This includes:

- indicating whether your HEP is interested in applying to the SURE Fund
- authorising the use of institutional TRAC data and international student fee forecast data in calculating allocations
- providing consent to the relevant HE funding/regulatory body to share the financial due diligence information as set out in this Expression of Interest.

For example, you might be the Accountable Officer/Chief Executive Officer or another member of your HEP's senior leadership team delegated by the Accountable Officer/Chief Executive Officer for this purpose.

I declare that the information provided in this Expression of Interest is accurate to the best of my knowledge. I am duly authorised by my HEP to make this declaration and I have the authority to submit this Expression of Interest as described above.

I agree

Full name

Position

Is your correspondence address the same as the HEP address provided in Section A? **Yes/No**

Landline phone number

Mobile phone number

Email address

Please check your Expression of Interest before submitting as you will not be able to make changes once you have clicked submit.

Should you have any technical queries regarding this online service please email SUREfund@beis.gov.uk

Should you have any queries regarding the Sure Fund, the application process or your application please email SUREfund@ukri.org.

Annex B – Indicative Application Template

Please Note: This annex is for illustrative purposes only and shows the information that will need to be provided on the SURE Fund online portal.

Please do not complete this form directly.

SURE Fund request

Your maximum allocation from the SURE Fund is calculated as £ [pre-populated]

Please confirm the total amount of SURE fund support you are requesting

Total SURE fund support requested	£
--	---

[This will then be shown as £x Loan and £y Grant – as the proportionate split is constant]

SURE plan

(i) Set out the approach being taken to sustain the high-quality research capacity and capability of the provider.

Please provide details of how you will meet the objectives below to demonstrate the approach being taken to sustain the high-quality research capacity and capability of the provider. Please refer to paragraph 45(i) of the guidance document for details.

Write a brief summary of key activities identified to support each objective;

1. Maintaining the research workforce (250 words)
2. Enabling vital HE research and innovation (including knowledge exchange) activity to continue to successful completion (250 words)
3. Take account of equality, diversity and inclusion considerations (250 words)
4. Objective: Research capital and other research assets are maintained and that capital projects linked to capability and capacity priorities continue to be supported (250 words).

(ii) Demonstrate a clearly articulated focus on research activity and knowledge exchange

Please provide details of how you will meet each objective below to show that the HEP has a clearly articulated focus on supporting research activity and knowledge exchange. Please refer to paragraph 45(ii) of the guidance document for details.

Write a brief summary of key activities identified to support each objective;

1. Support research across a range of disciplines (250 words)
2. Support for innovation and knowledge exchange capabilities (250 words).

(iii) Within the context of your existing research and innovation portfolio, prioritise STEM disciplines and areas of research typically funded by charities and businesses

Please provide details of how you will meet each requirement below to show that within the context of their existing research and innovation portfolio, you will prioritise STEM disciplines and areas of research typically funded by charities and businesses. Please refer to paragraph 45(iii) of the guidance document for details.

Write a brief summary of key activities identified to support each requirement;

1. Prioritise research in STEM disciplines (250 words)
2. Prioritise areas of research typically funded by charities and businesses (250 words).

(iv) Ensure efficient operation of research and knowledge exchange activity and demonstrate value for money for the public purse

Please provide details of how you will meet the requirements below to show evidence of your plan to ensure efficient operation of research and knowledge exchange activity and demonstrate value for money for the public purse, including savings achieved through policies for the remuneration and reward of staff. Please refer to paragraph 45(iv) of the guidance document for details.

1. Demonstrate efficiencies in the delivery of research and innovation (250 words)
2. Set out what you have already done with regard to senior pay restraint in response to COVID-19, and what further action is planned with regard to pay up to the end of academic year 2021-22).

(v) Provide evidence that effective governance and management underpins the SURE plan

Please provide details of how you will meet the requirements below to show evidence that your proposed SURE Plan is underpinned by effective governance and management. Please refer to paragraph 45(v) of the guidance document for details.

Write a brief summary of key activities identified to support each requirement;

1. Provide evidence that the SURE plan is financially viable (250 words)
2. Manage risks and report changes (250 words)
3. Have processes to ensure appropriate monitoring of spend (250 words)

4. Demonstrate effective governance and management, including how delivery will be reviewed and if necessary adapted (250 words)
5. Explain why you require additional public funding, including what steps you have taken (such as creating efficiencies) to reduce this requirement. Set out what practical steps you will take to mitigate risks of similar income fluctuations in the future. (250 words).

Financial Data

Financial Files

1. In the EOI you gave permission for your HE body/regulator to provide the following

- England
OfS: Interim Financial Data Collection Workbook 2020
- Scotland
SFC: Financial Forecast Financial Forecast Update 2020 and updates as set out in SFC/CI/06/2020
- Wales
HEFCW: Financial Forecasts, Commentary and Cash flow templates from Request for Forecasts 2020 and updates
- Northern Ireland
DfENI: Interim Financial Data Collection Workbook 2020 (administered by OfS on behalf of DfENI)

Are your financial forecasts in respect of 2021/22 included in the above returns to funders/regulators? Yes/No

We may also request your audited financial statements for 2019/20 (when available)

2. Provide evidence that the loan repayments are affordable.

This may be by reference to forecasts already included in the reporting package above, or by reference to new or updated material as necessary. You can upload a separate document to describe this in more detail

You can provide up to 250 words and upload up to one file (less than 8MB)

Additional Financial Due Diligence information

- 1) Are you subject to any enhanced reporting/monitoring requirements (by the relevant HE supervisory body)?

Yes/No

If Yes, Comment (50 words)

- 2) Are there any specific conditions set by the supervisory body relating to your financial sustainability or financial health?

Yes/No

If Yes, Comment (50 words)

- 3) Have you informed your regulator or funder of any financial viability or cash flow issues within the last 2 years?

Yes/No

If Yes, Comment (50 words)

- 4) Are you required to obtain the consent of lenders or funders before taking on the SURE loan?

Yes/No

If Yes, have all necessary consents been received Yes/No

If No, please explain what steps still need to be taken and when you expect to have a response. You will need to provide evidence to indicate that consent has been received in order for any funding to be allocated.

Confirmation that all necessary consents have been received must be provided no later than 5 February 2021 in order for final decisions to be reached on the award of SURE funding.

Confirmation can be sent via email to SUREfund@ukri.org

Explanation of any spend beyond end of academic year 2021/2022

SURE funding is intended to address the impact of short-term losses in research and knowledge exchange expenditure resulting from the COVID-19 pandemic. Please explain the rationale for any activity supported by SURE funding anticipated after the end of academic year 2021/2022. [250 words]

Sensitive Material

Please upload as a separate document any material which you would like treated as confidential in line with paragraph xx of the guidance. **[Facility to upload a file]**

Bank Information

In addition to the information requested above, we also require the following bank information to ensure that we have relevant and up to date information in advance of any potential loan award to enable timely transfer of funds.

VAT Registration Number (if applicable):

Bank Name:

Account Name:

Sort Code:

Account Number:

Branch Name & Address:

The information submitted by HEPs to demonstrate that it satisfies the requested additional financial due diligence information will be used solely by the SURE Fund to monitor and report on financial sustainability of the provider for the purpose of the SURE Fund application.

The judgements as to a HEP's financial performance and position are solely for the purpose of this application. Neither the provider nor any third party may place any reliance upon such a judgement.

Legal data (required for drafting the loan agreement)

What is the legal status of your HEP? (10 words)

By what legislation or other legal documentation is the HEP constituted? (50 words)

Confirmations

Institution

For the grant element of the SURE Fund, please confirm that spend will be accounted for in the Financial Year 2020-21, and that all spend has/will be committed in line with the conditions of the SURE Fund.

Institutional Support

In making this submission, the institution confirms that if funding is awarded they will comply the conditions set out in the guidance;

- funding must be spent on research and innovation, including knowledge exchange activity

- funding must be spent on sustaining high-quality research capacity and capability
- within the context of their existing research and innovation portfolio, HEPs will be expected to prioritise science, engineering, technology and mathematics (STEM) research and areas of research typically funded by charities and businesses
- HEPs will need to set out a proposed process to take their own steps to create efficiencies in the delivery of research and innovation activity
- HEPs will be expected to commit to working with the UK government on delivery of the R&D Roadmap and ambitions; and to provide baseline evidence and necessary monitoring information to demonstrate delivery (where this is not available from other sources).
- To provide monitoring information relating to the use of SURE funds in a form and at times to be prescribed by UKRI and/or the devolved HE funding bodies.
- To participate in and provide evidence to support the evaluation of the impact of the SURE programme

For HEPs in England,

- confirm that the provider will fully comply with their existing legal duties to secure freedom of speech under section 43 Education (No.2) Act 1986 in order to be eligible for funding
- as part of the condition relating to efficiency, comply with the additional commitments with regard to pay transparency and financial reporting as set out in the Guidance.

Governing Body approval

Please provide evidence from your governing body in support of your SURE Fund application.

This could be an email from an authorised individual at that governing body or an exert from the minutes of a meeting confirming their support at an appropriately authorised level.

You may upload one file. The file must be less than 8MB.

Annex C – SURE Term Loan Agreement Key Points

- This is an Amortised Loan whereby annual repayments are equal throughout the loan period.
- Loan period is fixed at 10 years.
- Loan interest rate is fixed at 0.55% PA.
- The loan facility through the Utilisation request must be made at least 10 working days prior to 31 March 2021 so long as relevant documentation has been received by BEIS and no default has occurred which would result from the making of the loan
- The Lender is The Department for Business, Energy and Industrial Strategy (BEIS)
- The purpose of the loan is:
 - (A) research and innovation, including knowledge exchange activity; and
 - (B) sustaining high quality research capacity and capability,
 - in each case, ensuring that, within the context of its existing research and innovation portfolio, amounts borrowed by it under this Agreement are prioritised towards supporting the following areas of research and innovation:
 - (i) science, technology, engineering and mathematics research; and
 - (ii) research and innovation undertaken by the Borrower that is typically funded by charities and businesses.
- The Borrower must ensure that it sets out its process to make efficiencies in the delivery of research and innovation, including taking the steps detailed by it in the Application.
- An indicative repayment schedule will be provided to the borrower with the loan agreement (as the date of utilisation at that time will not be known), following the utilisation date (loan payment date) a final repayment schedule will be issued.
- The loan can be wholly or partially repaid after the first repayment date, without any penalties.
- The minimum amount of any voluntary prepayment of the loan is £1m.
- Partial prepayment will reduce pro rata the amount of the loan, it will not reduce the term of the loan.
- A revised repayment schedule will be provided to the borrower should any prepayments be made.
- Default interest will be payable if the borrower fails to pay any amount payable under the agreement on its due date, interest shall accrue on the overdue amount from the due date up to the actual payment at the same rate as payable on the loan.
- Reporting requirements to be provided to BEIS
 - Financial statements and other financial information:
 - (A) The Borrower shall supply to the Lender as soon as the same become available, but in any event within 180 days after the end of

each of its financial years, or any later date agreed by the Lender, its audited financial statements for that financial year.

- (B) The Borrower must supply the Lender with its OFS Annual Financial Return or Devolved Administration Financial Return (as applicable) within 10 working days of this being submitted to Office for Students or a Devolved Administrations Body as applicable.
- (C) The Borrower must immediately inform the Lender if there has been a change in the viability of the Borrower for which the Borrower would be required to notify the Office for Students or a Devolved Administrations Body (as applicable).

Schedules to the Loan Terms:

SCHEDULE 1 : CONDITIONS PRECEDENT

1. Borrower

1.1 A copy of the constitutional documents of the Borrower.

1.2 A copy of a resolution of the board of directors (or equivalent) of the Borrower:

(A) approving the terms of, and the transactions contemplated by, this Agreement and resolving that it executes, delivers and performs this Agreement;

(B) authorising a specified person or persons to execute this Agreement; and

(C) authorising a specified person or persons, on its behalf, to sign and/or despatch all documents and notices (including the Utilisation Request) to be signed and/or despatched by it under or in connection with this Agreement.

1.3 A specimen of the signature of each person authorised by the resolution referred to in paragraph 1.2 above and whom executes this Agreement.

1.4 A certificate of the Borrower (signed by a director) confirming that borrowing or securing, as appropriate, the Commitment would not cause any borrowing, security or similar limit binding on it to be exceeded.

1.5 A certificate of an authorised signatory of each of the Borrower certifying that each copy document relating to it specified in this Schedule is correct, complete and in full force and effect as at a date no earlier than the date of this Agreement.

2. Financial Information

Lender to have received the financial due diligence material required to be provided by the Borrower to the Lender pursuant to the Application.

3. This Agreement

This Agreement duly executed and delivered by all parties to it.

4. Other documents and evidence

4.1 Evidence that the Grant has been awarded, or will be awarded, to the Borrower by no later than the Utilisation Date.

4.2 A copy of any other authorisation or other document, opinion or assurance which the Lender considers to be necessary or desirable in connection with the entry into and performance of the transactions contemplated by this Agreement and the enforceability of this Agreement.

4.3 Evidence required by the Lender for the purpose of “know your customer” or similar identification procedures in respect of the Borrower.

SCHEDULE 2 : UTILISATION REQUEST

From: [[•] University]

To: The Secretary of State of Business, Energy and Industrial Strategy.

Dated:

Dear Sirs

[[•] University] – £[[•] Term Loan Facility Agreement dated [•] (the “Agreement”)

1. We refer to the Agreement. This is the Utilisation Request. Terms defined in the Agreement have the same meaning in this Utilisation Request unless given a different meaning in this Utilisation Request.

2. We wish to borrow the Loan on the following terms:

Proposed Utilisation Date:

[•] (or, if that is not a Business Day, the next Business Day)

Amount:

£[[•]

3. We confirm that each condition specified in Clause 4 (Utilisation) of the Agreement is satisfied on the date of this Utilisation Request.

4. The proceeds of this Loan should be credited to [account].

5. Utilisation Request is irrevocable.

Yours faithfully

.....

authorised signatory for

[[•] University]

Annex D – Worked example of indicative HEP SURE Fund allocation

This worked example shows how the Sustaining University Research Expertise (SURE) allocation for a single institution will be calculated. It shows the steps that will be taken, starting from the underpinning data and then working through the calculations to arrive at the maximum SURE allocation. Fictional data have been used in this worked example. This worked example will be used as the basis of an institution-specific allocation table that will be made available to individual institutions after they have submitted their EOIs.

This document:

Sector Summary	Sector summary showing the connection with the Costed Grant Extensions (CGE) Package and the National Academies (NA) Package, and the breakdown of the SURE allocation by grant and loan amounts.
HEI Summary	Summary for the Higher Education Provider (HEP) showing the maximum SURE allocation and how this is apportioned between grant and loan amounts using sector-level parameters
(A) Eligible Non-Public Research Income - External	Source data and calculations of the elements of the SURE Fund that relates to income from external non-public sources
(B) Eligible Non-Public Research Income - Other	Source data and calculations of the elements of the SURE Fund that relates to income from other non-public sources.
(C) Eligible Loss in Non-EU Tuition Fee Income	Source data and calculations of the elements of the SURE fund that relates to the loss of income from non-EU Tuition Fee Income

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(S) Sector Summary

Date Generated: [Date dd-mmm-yyyy]

Data Item	Value (£)	Comment
Sector total SURE allocation	1,000,000,000	(S1) = sum of each eligible HEPs Formula Outcome (Summary (H5))
<i>of which total grant available</i>	<i>250,000,000</i>	(S2) = 25% of (S1)
Total of other grant support packages (CGE & NA)	98,000,000	(S3)
SURE Package Total	902,000,000	(S4) = (S1) - (S3)
<i>of which grant</i>	<i>152,000,000</i>	(S5) = (S2) - (S3)
<i>of which loan</i>	<i>750,000,000</i>	(S6) = (S4) - (S5)
percentage of SURE to be paid as a grant ¹	20%	(S7) = (S5) / (S4)
SURE scaling factor ²	0.90	(S8) = (S4) / (S1)

Notes

1. Value presented to the nearest percentage
2. Scaling factor is presented to 2 decimal places

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(H) HEI Summary

Date Generated: [Date dd-mmm-yyyy]

[University Name]

[UKPRN]

Data Item	Value (£)	Comment
Scaled non-public research income - external	9,153,000	(H1) = (A10)
Scaled non-public research income - other	5,362,500	(H2) = (B5)
Non-Public research income - total	14,515,500	(H3) = (H1) + (H2)
80% of loss in non-EU tuition fee income	16,000,000	(H4) = (C4)
Formula Outcome	14,515,000	(H5) = minimum of (H3) and (H4)
Maximum SURE Allocation	13,092,530	(H6) = (S8) x (H5)
Maximum grant available	2,621,997	(H7) = (S7) x (H6)
Maximum loan available	10,470,533	(H8) = (H6) - (H7)

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(A) Eligible Non-Public Research Income - External

Date Generated: [Date dd-mmm-yyyy]

[University Name]

[UKPRN]

Data Item	Source	2016/17 ¹	2017/18 ¹	2018/19 ¹	Average ¹	Comment
UK-based charities (open competitive process)	HESA/OfS ²	3,000	2,400	2,700	3,000	(A1) three-year average ⁴
UK-based charities (other)	HESA/OfS ²	900	1,200	900	1,000	(A2) three-year average ⁴
EU-based charities (open competitive process)	HESA/OfS ²	1,450	1,400	1,650	1,500	(A3) three-year average ⁴
Non-EU based charities (open competitive process)	HESA/OfS ²	200	600	700	500	(A4) three-year average ⁴
UK industry, commerce and public corporations	HESA/OfS ²	2,200	2,300	2,700	2,400	(A5) three-year average ⁴
EU industry, commerce and public corporations	HESA/OfS ²	300	250	650	400	(A6) three-year average ⁴
non-EU industry, commerce and public corporations	HESA/OfS ²	0	0	0	0	(A7) three-year average ⁴
Total Non-Public Research Income - External					8,800	(A8) = Total of (A1) - (A7)
<i>3-year sector average scaling factor³</i>	UKRI				<i>1.04</i>	(A9)
Scaled Non-Public Research Income - External¹					9,153	(A10) = (A8) x (A9)

Notes

1. Figures in £k's
2. HESA finance returns and/or the OfS Annual Financial Return
3. Scaling factor is presented to 2 decimal places
4. If 3-years of data is not available, a 2-year, or 1-year average will be taken instead as appropriate

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(B) Eligible Non-Public Research Income - Other

Date Generated: [Date dd-mmm-yyyy]

[University Name]

[UKPRN]

Data Item	Source ²	2016/17 ¹	2017/18 ¹	2018/19 ¹	Average ¹	Comment
TRAC research income labelled 'Institution own-funded'	TRAC	750	950	1,300	1,000	(B1) three-year average ⁴
TRAC research deficit (surpluses are set to zero)	TRAC	3,500	4,250	4,250	4,000	(B2) three-year average ⁴
Total Non-Public Research Income - Other					5,000	(B3) = (B1) + (B2)
<i>3-year sector average scaling factor³</i>	UKRI				<i>1.07</i>	(B4)
Scaled Non-Public Research Income - Other¹					5,363	(B5) = (B3) x (B4)

Notes

1. Figures in £k's
2. Figures extracted from TRAC returns
3. Scaling factor is presented to 2 decimal places
4. If 3-years of data is not available, a 2-year, or 1-year average will be taken instead as appropriate

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(C) Eligible Loss in Non-EU Tuition Fee Income

Date Generated: [Date dd-mmm-yyyy]

[University Name]

[UKPRN]

Data Item	Source	Value (£k)	Comment
Total non-EU domicile tuition fee income (2018/19)	HESA ¹	30,000	(C1)
Forecast non-EU domicile tuition fee income (2020/21)	OfS/SFC/HEFCW ²	10,000	(C2)
Loss in Non-EU Student Fee Income (increases are set to zero)		20,000	(C3) = (C1) - (C2)
Eligible Loss in Non-EU Student Fee Income		16,000	(C4) = 80% of (C3)

Notes

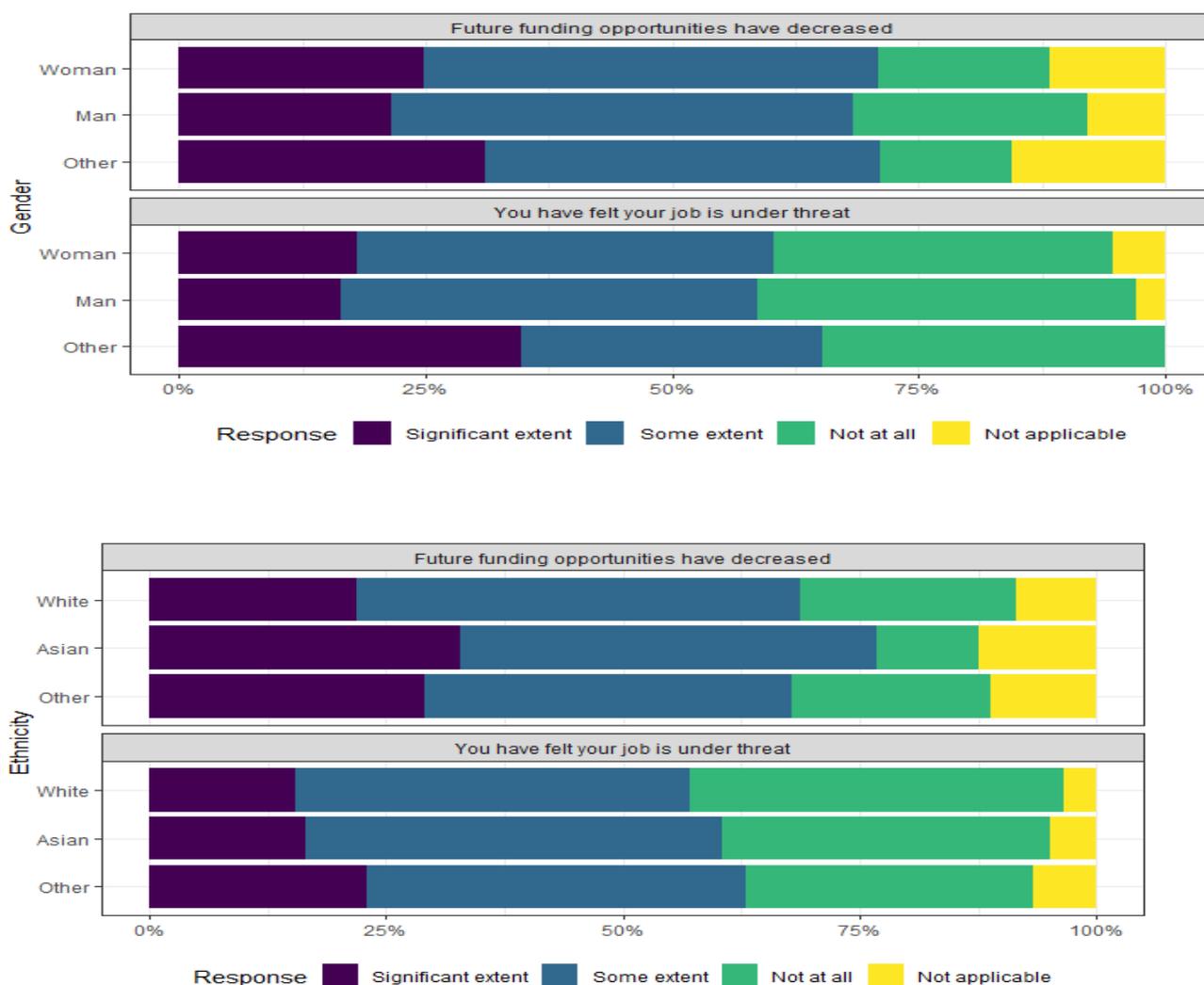
1. HESA finance returns and/or the OfS Annual Financial Return
2. Information obtained via special requests made by the funding councils

Annex E Findings of Survey on Covid19 impacts on researchers with protected characteristics

89. The Equality Act² protects people against discrimination because of one or more of nine protected characteristics including: gender, disability, gender reassignment, pregnancy and maternity, and race.

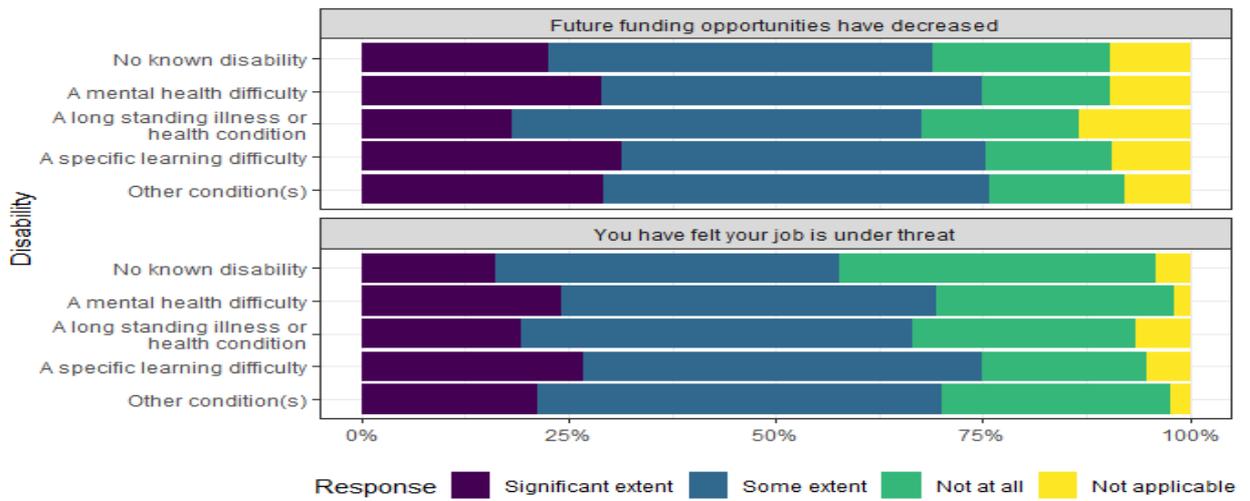
90. Early evidence via a May/June 2020 survey of over 10,000 UK researchers on the impacts of Covid-19 on their work pre and post lockdown, with sample sizes large enough to break down results by gender, ethnicity and disability which indicates some protected groups could be at greater risk, as set out in Figure 1 below:

Figure 1: Researcher concerns on funding opportunities and job security, by gender, ethnicity and disability.



² <https://www.equalityhumanrights.com/en/advice-and-guidance/age-discrimination>

SURE Fund Guidance for Higher Education Providers



Source: BEIS/Vitae survey May/June 2020