



Arts & Humanities
Research Council

Arts & Humanities Research Council

Delivery Plan 2008-2011

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EXECUTIVE SUMMARY OF PRIORITIES AND KEY DELIVERABLES

PRIORITIES	KEY DELIVERABLES
Strategic Research:	
Stimulating innovation in the knowledge economy	Develop novel models of support for the creative industries (CIs) and digital services sectors to promote innovation.
	In partnership with the TSB, achieve maximum impact through new collaborations from the Knowledge Transfer Network for the CIs.
Cross – Council programme: Digital Economy	Apply new learning generated from creative user-centred approaches in arts and humanities research and the CIs to key economic and societal challenges in other sectors, such as health and energy.
Cross-Council programme: Global threats to security	Shape public policy through the research insights of the humanities which help to understand causes and manifestations of current threats to global security.
Capitalising on the UK’s cultural assets	Create a new discipline at the interface between arts, humanities, science and technology to add value to the key cultural assets of the UK – vital to the vibrant tourism industry- through enhanced understanding & interpretation and improved conservation techniques.
Cross-Council programme: Living with Environmental Change	Support policy makers to develop more appropriate strategies for enhancing public understanding of the implications of environmental uncertainties by bringing key insights into conservation, design and planning responses to climate change.
Cross-Council programme: Ageing: Lifelong Health & Well-Being	Shape public policy around diverse ageing needs, including better design and planning for older people, and developing culturally appropriate care mechanisms.

PRIORITIES	KEY DELIVERABLES
Sustaining the research base:	
Postgraduate training & skills development	Enhance the existing connection between our strategic themes and our postgraduate provision, from a low base to some 50%.
	Produce researchers equipped with a range of skills that will make them attractive to employers in the knowledge economy.
Responsive mode research	Responsive-mode research to complement and underpin strategic programmes; build collaborative research capacity; and support partnerships beyond academia.
Economic Impact	Embed a culture of KT informed by employers' needs across all programmes
	Develop strategic partnerships with stakeholders, notably the TSB, to deliver a step change in economic, social and cultural impact
International	Enhance the quality of research through embedding opportunities for international collaboration in all programmes

INTRODUCTION

To prosper and flourish the UK must successfully respond to pressing challenges that arise in our globalising world: in the creative economy; in environmental and social change; in issues of security and identity politics. To understand and capitalise on these challenges and opportunities, we need skilled people, who can interpret the complexities of contemporary life.

Arts and humanities researchers have a vital role to play in this. They bring unique knowledge and skills through their analyses of history, languages and literature, the representation of reality, design, communication and expression, and ethics. Their insights are central to developing an innovative economy; to understanding religious and ethnic identities and conflict; maintaining and utilising our cultural heritage; providing historical and cultural perspectives on environmental change; and in prompting fresh and imaginative ways to include all citizens, fully into national life.

UK arts and humanities researchers are active not just in understanding these problems and phenomena, through the research they produce which is of international quality, but also in generating solutions that make a demonstrable difference beyond the academic arena.

Since the challenges we face are complex and multi-faceted, solutions require collaboration and the co-production of knowledge with researchers in other disciplines and with non-academic stakeholders in the private, public and Third sectors, both in the UK and internationally. AHRC is involved in four of the major, cross-Council, multi-disciplinary research priorities and is leading a programme in the area of Heritage Science which will also involve EPSRC, STFC and TSB.

While these issues require immediate attention, they are long-term in nature. This means that we must develop sustainable resources to ensure that the UK will continue to possess the capacity and skills to carry on this work in the years ahead.

The challenges set out above are the drivers for the AHRC's priorities for 2008-11 outlined in this Delivery Plan. The AHRC will integrate research, knowledge transfer and impact, capacity building and our international strategy to ensure that we release the full potential of the UK's arts and humanities research community.

SUPPORTING THE GOVERNMENT'S SCIENCE AND INNOVATION FRAMEWORK 2004-2011 AND THE STRATEGIC OBJECTIVES OF THE DEPARTMENT FOR INNOVATION, UNIVERSITIES AND SKILLS

Our priorities and Delivery Plan resonate with the Government's Science and Innovation Framework 2004-2011¹ and the Strategic Objectives of the Department for Innovation, Universities and Skills ('DIUS')².

¹ Science and Innovation Investment Framework 2004-2014 published 2004 by HM Treasury, Department for Trade & Industry, Department for Education & Skills

² www.dius.gov.uk/mission

Our priorities are:

- Increasing investment in **strategic research**, based on pressing economic, social, environmental and cultural issues focused on: **stimulating innovation in the knowledge economy, global threats to security, and capitalising our cultural assets**;
- Fostering **knowledge transfer** by our researchers with an **increasing range of partners** to produce greater economic and social **impact**;
- Sustaining the **excellence of the research base** and health of disciplines through investing in postgraduate training, skills development and responsive mode research;
- Embedding opportunities in all programmes for **international collaboration** between UK researchers and academics from around the world;

STRATEGIC RESEARCH PRIORITIES

Stimulating Innovation in the Knowledge Economy

The creative industries (CIs) account for £59.6bn of GVA and comprise 8% of the UK economy. Whilst these high-growth industries exemplify the developing profile of the knowledge economy, they also face unprecedented challenges as they compete in digitally-enabled global markets. Evidence suggests that the UK must not be complacent about their potential for future growth. Providing the CIs with access to the excellent research, people and networks in the arts and humanities will give them a substantial competitive advantage.

We will identify the barriers to innovation that the CIs face and offer solutions to them via the delivery of novel models of support that complement the evolving business models and value chains of this sector. The AHRC is well-positioned to do this as it has built extensive networks with the CIs and has proven credibility with the sector through the piloting of novel models of support for innovation. We will build upon this prime position to assist these industries to improve their economic position.

We will work in partnership with the Technology Strategy Board (TSB) to achieve the maximum impact through new collaborations from the planned Knowledge Transfer Network ('KTN') for the CIs.

This will result in co-funded collaborative R&D ventures with industry stakeholders in the CI and digital services sectors. By joining forces with the AHRC, the TSB will align its expertise and experience with our position as a trusted broker for the sector. It will also benefit from connection with the arts and humanities research base that underpins the core business of these enterprises and from access to an innovation model appropriate for the CIs. This model is our pilot Knowledge Exchange Programme, currently run in partnership with BBC Future Media and Technology, which provides an industry-credible collaborative R&D model to exploit these opportunities. Here the AHRC and the BBC co-fund on a 50/50 basis projects that

utilise previously untapped research in the arts and humanities to deliver new products and applications in convergent media.

Lord Sainsbury's report *The Race to the Top*³ recommends that a mini-Knowledge Transfer Partnership (KTP) scheme be introduced to meet the demand for shorter, less expensive KTPs which will be of particular interest to the creative industries, service sectors and SMEs. The AHRC has a proven, flexible model in its **Knowledge Catalyst** scheme that does just this; it has successfully engendered an appetite for research-based innovation in companies that lack the capacity or requirement for conventional R&D activity.

We will:

- Work with the TSB to deliver a standard, nationwide mini KTP
- Enable networked innovation for micro and small enterprises in the CIs by introducing a consortium model of our Knowledge Catalyst scheme, to provide tailored support for enterprises of this scale
- Work with the TSB to widen the reach of the existing Knowledge Catalyst scheme, in order to deliver an increase in the number of small businesses which can gain a competitive edge through R&D
- Unite both technological and non-technological innovation in digital and ICT fields through the cross-Council **Digital Economy Programme**. This collaboration will capture cross-cutting benefits and bring new learning that is generated from creative user-centred approaches in arts and humanities research and the CIs to key economic and societal challenges in other sectors such as health, education and energy
- Leverage European funding into the UK arts and humanities research community in areas central to the Creative Economy by participation in the ERA-NET 'Humanities in the European Research Area' (HERA) via its research and KT theme 'The Humanities as a Source of Creativity and Innovation'

Effective knowledge transfer will be a key factor when stimulating innovation in the creative economy and we have an excellent track record to build upon. It is an important means by which impact will be realized. Just two years ago the concept of designated KT programmes was a new one for the AHRC and our research community but we have achieved a major change in culture and significant momentum in this area by our leadership. Organisations across the private and public sectors and the research base have enthusiastically embraced our novel and effective models of KT. As a result, the actions proposed here will increase the number of private and public sector organisations that can join forces with our researchers to benefit from research-led KT which is so essential to an innovative and competitive economy.

³ The Race to the Top. A Review of Government's Science and Innovation Policies. Lord Sainsbury of Turville. Published in 2007

Global Threats to Security

We will make a major contribution to this cross-cutting Research Council programme by bringing the distinctive research insights of arts and humanities to bear upon contemporary policy issues in this area.

This cross-Council investment will involve all Councils working together to address four inter-related global threats to security—crime, terrorism, environmental stress and global poverty.

In order to tackle many of the current global threats to security, we have to understand their causes and manifestations. Only then can policy makers devise strategies to counter them. Arts and humanities researchers provide the in-depth analysis and interpretation of the profound historical, ideological and theological underpinnings to many of these threats. This programme provides the route by which high quality arts and humanities research will translate into effective public policy.

Research in theology and history, for example, helps to explain contemporary tensions between Sunni and Shia Muslims; a key issue if a lasting peace is to be found for the Middle East. Research exploring the construction of identity with a strong historical dimension deepens analysis of interfaith and international understanding that would remain shallow and incomplete if tied only to the present. The AHRC will make a major contribution to this cross-cutting Research Council programme by bringing the distinctive research insights and methods of the humanities to bear upon contemporary policy issues related to religion and society.

Our programme of research will build on current investments by:

- Enhancing the 'Religion and Society' programme, jointly with the ESRC, so that it will focus upon the interface between youth, religion and society
- Continuing to engage with a broad range of stakeholders to develop strategies and activities for addressing this challenge, including non-government organisations (NGOs) in Europe (including Russia) and the USA.
- Building on work already done with significant stakeholders, such as the Home Office, the Department of Communities and Local Government and the Muslim Council of Britain, which are actively engaged with AHRC-led research programmes in this area, notably 'Religion and Society'
- Exploring innovative models of collaboration as we have done through our participation in the AHRC/ESRC/FCO collaboration entitled 'New Security Challenges: 'Radicalisation' and Violence - A Critical Reassessment' and the AHRC/ EPSRC/ ESRC/ Centre for the Protection of National Infrastructure 'Countering Terrorism in Public Places' IDEAS Factory
- Funding Knowledge Transfer schemes that involve work with marginalised groups as a way of promoting the social inclusion that will counter tendencies to radicalisation

Capitalising on Our Cultural Assets

The UK's cultural heritage gives the nation a unique comparative advantage in an era of globalisation. Our cultural assets, especially buildings and artefacts, underpin our vibrant and growing tourist industry (employing 2.1 million people and generating some 4.5% of GDP) and provide invaluable benefits to our nation. We must ensure their long term preservation, sustainability and enhancement so they can be passed onto future generations. Understanding and interpreting our heritage are also vital for attracting new audiences who will engage with the UK's heritage sector and ensure its future contribution to the UK economy. The AHRC has recognised the fundamental contribution that researchers in the arts and humanities make in responding to these challenges and we will:

- Lead a programme of research, 'Science and Heritage' in **partnership with the EPSRC, STFC and TSB, to support innovative research at the interface between the arts, humanities, science and technology**. This will create a new discipline to tackle cultural heritage research questions, adding knowledge and value to the key cultural assets in the UK
- Forge partnerships between the academic community and key non-HEI stakeholders, such as museums and galleries and the private sector, to produce solutions to significant economic and social questions relating to regeneration, tourism and cultural heritage
- Invest in collaborative research studentships to build capacity, as called for by the House of Lords' report of November 2006⁴
- Leverage international investment and participation by firstly investing in the pan-European HERA programme on 'Cultural Dynamics-Inheritance and Identity' and the Heritage-Net, and secondly by building upon the initial China RCUK/AHRC workshop on Science and Heritage in October 2007 to provide opportunities for exchange between UK and Chinese researchers
- Ensure that increasingly sophisticated conservation technologies are developed to protect our cultural assets which are at risk from various forms of degradation including climate change. The new or refined technologies that result will be transferred to industry - it is estimated that for every £1 spent on heritage science research, the economy reaps £10 back. This will complement our strategic investment in the Living with Environmental Change programme (below)
- Enable the UK to capitalise upon cultural assets more effectively through wider accessibility to cultural objects, historic buildings and archaeological sites - this will be reflected in increased revenue from the tourist industry and will enhance the cultural richness of our lives as UK citizens

⁴ Science and Heritage. Science and Technology Committee. 9th Report of Session 2005-2006. Published in 2006 by the authority of the House of Lords.

Cross-Council Priorities Addressing Environmental and Social Challenges

Living with Environmental Change ('LWEC')

Arts and humanities researchers are already addressing a number of significant issues in the area of environmental change, including how we will need to consume, think and behave differently to adapt to a changing planet. These will provide an important perspective to the LWEC programme—the major cross-Council research and policy partnership designed to tackle environmental change and the societal challenges it poses.

The AHRC's programme on 'Landscape and the Environment' is supporting policy makers to develop more appropriate strategies for enhancing public understanding of the implications of environmental change and its associated uncertainties. It will also enable people to make more informed life choices and shape the ways in which the change is described, depicted and debated. The AHRC's focus will be:

- Research on the historic and contemporary built environment that will shape the development of strategies for the design and maintenance of environmentally sustainable buildings.
- Developing an understanding of historical, religious and cultural responses to environmental challenges; inform current policy development by understanding how human beings have responded to environmental instability throughout history

Ageing: Lifelong Health and Well-Being

By 2025, more than a third of the UK's population will be over 55. This marks an unprecedented demographic shift, with implications for all aspects of the UK economy and society. As well as planning issues around health, life-long learning and leisure trends, arts and humanities research will be essential to understanding the cultural, philosophical and religious aspects of ageing, supporting government and other agencies to deliver more responsive, effective policies for this community. Other key inputs from the arts and humanities include design for independent living and urban planning to enable better social environments for older people.

Research into ageing is a cross-Council priority, and the AHRC will contribute to this interdisciplinary initiative by:

- Developing cross-disciplinary research that will make a vital contribution to public policy around diverse ageing needs – including better design, better planning and culturally sensitive care
- Tackling significant economic and social questions relating to an ageing population, including longer working lives; the care dividend (older people as carers and cared for); cultural and religious understanding around older people
- Providing the design, social and cultural input of the programme

- Developing funding opportunities to stimulate partnerships between the academic community and key non-HEI stakeholders such as Third Sector older people's groups, local authorities, care organisations, NHS Trusts and businesses
- Ensuring that researchers develop ideas and solutions to a key social, demographic trend which has global implications, as ageing societies are an international phenomenon and will require a joined-up response, particularly around the care deficit

SUSTAINING THE RESEARCH BASE: LEADERSHIP, SKILLS AND HEALTH OF DISCIPLINES

If the UK is to continue to benefit from the unique strengths of its arts and humanities researchers, who comprise about 25% of the academic community, it is essential that it sustains a high quality research base.

The AHRC has a vital role in providing leadership to the arts and humanities research community. Since its creation the AHRC has transformed the arts and humanities research landscape. Our postgraduate and responsive mode support will continue in this vein.

Over 2008-11 we will, via the new Block Grant Partnerships, move the percentage of our postgraduate budget falling within strategic themes from a low base to some 50%.

We will also deliver responsive mode research of the highest quality that will complement our strategic programmes.

In addition, we are committed to delivering strong outputs in four areas:

- providing leadership for the improvement in research training necessary to ensure our international competitiveness
- producing highly skilled postgraduates who enter the workforce
- maintaining the health of disciplines in the face of an ageing arts and humanities workforce
- ensuring and building capacity

Leadership in Postgraduate Training

Through both our postgraduate funding and the leadership role that this affords, we will ensure a steady flow of suitably qualified researchers who are:

- Fully engaged with the importance of knowledge transfer and impact
- Equipped with the skills and experience to respond to the demands of collaborative research in a globalised research context

- Prepared for a range of careers, both research and non-research based, across the public and private sectors

During 2008-11 we will greatly enhance the existing connection between our strategic themes and our postgraduate provision, through our new Block Grant Partnerships ('BGP').

The AHRB/C has developed strong and imaginative leadership that has transformed the research landscape in areas such as the promotion of strategic thinking and collaborative working and in fundamental improvements to postgraduate provision.

Although we support only a small number of the UK's postgraduates at any one time, through the resource we provide to HEIs in relation to them we will continue to leverage major changes in postgraduate provision that extend to all postgraduates.

We will do this by a major shift in the delivery of arts and humanities research at postgraduate level through directing over 80 per cent of our PG funding to our new BPG scheme. This scheme replaces our current, entirely responsive competition. Under it HEIs will be asked to bid for blocks of postgraduate funding for a period of five years.

This new mechanism will allow us to give strategic direction to the sector, especially in the alignment of postgraduate provision and our 2008-11 priorities. HEIs successfully bidding for BGPs will be required to clearly demonstrate how this strategy aligns with the AHRC's own aims and strategic priorities, including in this Delivery Plan. **A large number of the studentships we fund will fall within our strategic priority areas, such as the creative economy and heritage.**

In addition, the BGP scheme will produce the following further outputs:

- HEIs will develop their own long-term strategy relating to postgraduate training in the arts and humanities
- HEIs will fully integrate their postgraduate strategy with their research and knowledge transfer strategies
- HEIs will provide evidence of their training and skills provision
- Leaders in HEIs responsible for framing their institutional BGPs will have access to a resource that will enable them to play a more active and effective role in relation to the research strategies of their institutions, thus solidifying the significance of arts and humanities research within the total research landscape
- Large efficiency gains will flow to the sector (valued at £3M per annum) from time saved by researchers in assessing the large number of applications in our current allocation mechanism

We will supplement this new scheme with a range of additional outputs that support its aims and further strengthen our leadership in relation to postgraduate provision in the sector, including:

- Collaborative Doctoral Awards (CDA) Scheme, which will continue to promote partnerships and research collaborations between higher education institutions and other non-academic organisations
- Increasing engagement with international partners at postgraduate level by building on our Library of Congress fellowships scheme (jointly funded by the ESRC), to include similarly prestigious research centres in other areas identified as priorities in our International Strategy, and participating in the Dorothy Hodgkin scheme

Skills

We will continue to pursue excellence in postgraduate training by working closely with potential employers in the public and private sector to ensure that they and our postgraduates gain mutual advantage through initiatives such as the enhancement of transferable, KT and entrepreneurial skills

Some 45% of AHRC's postgraduates go into key non-academic positions in the private and public sectors and 55% take up academic appointments. Studies we have commissioned in the last two years reveal a very high level of satisfaction among employers with Professional Masters graduates and show that our doctoral graduates who leave academia achieve significant positions in the private and public sector.

During 2008-11 the AHRC will fund postgraduates attractive to employers in the creative economy in areas such as communications and photography; advertising; film, digital and media production; and journalism and publishing. These graduates, with their exposure to world-ranking researchers in the HEIs, will deliver cutting-edge knowledge and skills to the workplace, thus assisting the international competitiveness of the UK in all areas of the creative economy.

Health of Disciplines

Demographic changes in the academic population, especially an ageing workforce in some disciplines, represent a significant challenge to sustaining the research base. The AHRC, working with the other Research Councils, will continue to monitor the health of disciplines within its ambit closely. The introduction of BPGs will provide a new mechanism to address emerging areas that need fostering, or established areas that are threatened, in a manner unavailable to us at present.

The AHRC, working with the ESRC and the Funding Councils, is a partner in a £25M strategic initiative that has created five Language-Based Area Studies in Chinese, Japanese, Central and Eastern European and Arab studies. Through this investment, the AHRC will foster the health of these disciplines by producing new researchers and thus sustain the research base in areas directly relevant to our strategic priorities, especially Global Threats to Security.

Leadership in Responsive Mode Research

Responsive-mode research funded by the AHRC is central to sustaining the UK arts and humanities research base and to the cultural and economic benefits it brings.

The AHRC will deliver curiosity-driven research of the highest quality that will complement our strategic programmes.

By funding such research, we will also underwrite the capacity of arts and humanities researchers to respond to unanticipated opportunities and challenges relevant to future strategic priorities as they arise.

We will continue to promote strategic thinking and collaborative working through our support of team-based, collaborative research which promotes cross-disciplinary partnerships within and beyond academia and generates outputs that advance knowledge and maximise economic, social and cultural impact.

By offering a range of delivery mechanisms, we will build collaborative research capacity in the rising generation of academics. We will encourage collaboration with non-academic partners, not only to foster exciting research, but also to produce new and varied modes of dissemination and knowledge transfer.

Vitality, the AHRC recognises that some of the best arts and humanities research is carried out by individual researchers, with its impact reaching far beyond academia. In order to ensure that the UK continues to benefit from the very best research of this nature, over the forthcoming period we will review our support for such research.

ECONOMIC, SOCIAL AND CULTURAL IMPACT

Arts and humanities research creates economic, cultural and social benefits directly and indirectly through improvements in social and intellectual capital, social networking, community identity, learning, skills and quality of life. The AHRC has a strong track record in delivering impact as evidenced by the description of our current economic impact baseline in Annex 1.

Looking forward, the AHRC will achieve a step change in economic impact by the following actions:

- Leading and embedding a culture of KT, informed by employers' needs, utilising our KT programmes to provide the academic community not only with funding opportunities but exemplars of innovative work in this area
- Embedding a culture of KT within our new postgraduate funding mechanism (the Block Grant Partnership). PhD graduates are well placed to translate research results into innovation in business and the public sector; accordingly, the BGP model will require HEIs to align their postgraduate strategy with our aim of promoting transferable KT and entrepreneurial skills
- Reviewing our postgraduate training strategy, working closely with employers in the public and private sectors

- Developing a strategic partnership with the TSB to drive forward the contribution of arts and humanities research to the innovation agenda
- Playing an active role in cross-Council programmes that can act as levers for engagement with TSB, such as the Digital Economy programme - the AHRC aims to spend some £3 million in partnership with the TSB over the next three years
- Collaboratively funding knowledge exchange opportunities that arise from the Science and Heritage programme
- Leveraging maximum impact from all our strategic research investments by instilling a model of the co-production of knowledge within them - this is why engagement with partners beyond academia features so centrally within both our own and cross-council programmes
- Investing in workshops and networks as a forum for engagement with non-academic stakeholders
- Building on our existing Collaborative Doctoral Awards scheme to provide a strategic focus to placements in the private and public sectors
- Funding KT projects that foster social cohesion

The policy actions and leadership role outlined above will ensure that the AHRC increases economic, social and cultural impact through the support of excellent research, skilled people and knowledge transfer. The current baseline data will be developed by the production of detailed case studies, user-surveys, and programme evaluations.

INTERNATIONAL STRATEGY

The AHRC will continue to influence and shape the arts and humanities international research agenda.

We will promote and support the production of world-class research in the arts and humanities through embedding international collaboration by:

- Ensuring that our entire grant portfolio has the potential to be internationalised, a long term goal of our International Strategy as agreed by AHRC Council through to 2011.
- Capitalising on the opportunities offered by the RCUK International offices in Washington, Beijing and Delhi and fully participating in the RCUK's international activities
- Avoiding double jeopardy by continuing to develop co-funding agreements with analogue agencies internationally to create single peer review processes (as with the AHRC/DFG concordat of December 2007)– a key innovation in our international strategy

- Participating in the ERA –NET Humanities in the European Research Area (HERA) programmes : ‘Humanities as a Source of Creativity and Innovation’ and ‘Cultural Dynamics-Inheritance and Identity’, and the Heritage-NET
- Providing opportunities for international collaboration for both postgraduate and postdoctoral research, as in the Dorothy Hodgkin and Library of Congress schemes

EFFICIENCY: FORGING OUR FUTURE

Administration

In 2006-2007 we developed a new Strategy and in 2007-2008 we have launched the ‘**Forging Our Future**’ programme, to embrace all of our change mechanisms. By aligning the AHRC’s structure, decision-making and operations with this Strategy we will deliver value to stakeholders more effectively and more efficiently. In so doing, we will reallocate significant resource to frontline, stakeholder service. The **Shared Services Centre (SSC)** is one of the major drivers and opportunities for change and we are participating actively in its development alongside the other Research Councils. We shall be contributing to the achievement of the cross-Council target of 5% year on year savings on administration costs by participation in the SSC and also by actively pursuing measures such as exploring the feasibility of cross-council provision in the retained functions not transferring to SSC. The AHRC also supports other cross-Council initiatives such as pay harmonisation and the further development of the joint electronic service harmonisation (JeSH) in both of which we are actively involved.

The AHRC will also participate in the new cross-Council efficiency delivery programme and is committed to meeting our share of the total efficiency savings for Research Councils collectively, as set out in the RCUK delivery plan <http://www.rcuk.ac.uk/aboutrcuk/deliveryplan>.

During the Delivery Plan period we shall continue planning, begun in 2007-08, for a move to Swindon in early 2012 when the break point in our current lease occurs. By September 2008 we shall complete a business case on the relocation of AHRC offices to Swindon.

Programmes

In preparation for continuing the successful trajectory of AHRC in the forthcoming CSR period, we have reprioritised expenditure in our core areas –measures such as the reshaping of funding to ICT and the sun-setting of our Resource Enhancement programme have allowed us to reinvest in the region of 20% of research budget into priority areas outlined in this Plan.

The introduction of our new BGP mechanism for the allocation of postgraduate funding and proposed new structures for making decisions on funding are significant innovations both in policy and operational terms. Focusing on the allocation of

postgraduate funding, our estimates, informed by consultants' research, show that there will be £3m efficiency saving across the HEI sector over the lifetime of our first BGP awards. This will be achieved through reduced peer review and will release time for research. The principles that are guiding the development of proposals for new decision-making structures are enhanced engagement with stakeholders, appropriate pace and flexibility of decision making, better co-ordination of information flows to inform decision making, appropriate delegation of authority for making decisions and reduction of real or perceived barriers to interdisciplinary research.

Through our rapid response funding mechanism and through targeted additional investments in existing programmes, we will make interventions where important opportunities arise for rapidly-required funding decisions – especially in collaboration with other funding agencies. This mechanism is one of the ways in which we shall manage our programmes more efficiently over the CSR period.

Performance Management and Metrics

In developing the Score Card to monitor the delivery of activities outlined in this Delivery Plan, we shall ensure that targets and milestones are consistent with the principle of the 'golden thread' which seeks to link objectives articulated in our new Strategic Plan, the Delivery Plan and annual Business Plans and the Outputs Framework. We believe that this will produce even more effective management of the delivery of activities outlined in this plan and build on our solid track record of achieving targets and milestones in our current Delivery Plan.

ANNEX 1– ECONOMIC IMPACT BASELINE

ANNEX 2– FINANCIAL INFORMATION

December 2007

Annex 1: AHRC Economic Impact Baseline 2007

Arts and humanities research creates economic, cultural and social benefits directly and indirectly through improvements in social and intellectual capital, social networking, community identity, learning, skills and quality of life.

Delivering Benefits to Businesses

Collaboration and Knowledge Transfer

- The AHRC's first knowledge transfer awards were made in 2006-07. We have developed bespoke programmes to promote KT within the arts and humanities research sector. The AHRC is unique among the Research Councils in its response to business need, supporting engagement with **micro-enterprises** in the creative industries through the **Knowledge Catalyst Scheme (mini KTP)**. 6 awards were funded in 2006-07.
- A further example of novel, user-driven collaboration is the AHRC's **Knowledge Exchange Programme co-funded by BBC** New Media and Technology, supporting 8 new projects.
- Expenditure on KT activities in 2006-07 was **£4.68m**. In 2006-07 the AHRC supported **21 new KT awards** (including 14 KT Fellowships and 11 KTPs), alongside **54 Collaborative Doctoral Awards** and **349 Professional Preparation Master's awards**.
- The **diversity of collaborative partners** engaged in our KT schemes is a significant achievement, ranging from creative industries, local and central government to museums and galleries. 43 partner organisations supported collaborative doctoral awards in 2006-07 and 11 co-funded KTPs. Private sector partners sought expertise in disciplines ranging from design to history to meet their business needs.
- **Income** received from collaborative research programmes in 2006-07 was **£588k**.
- In 2006-07 55% of responsive-mode awards collaborated with organizations or individuals outside of academia.

User Satisfaction Survey

- Users' views are that the **AHRC is performing strongly across all types of interaction** with them (mean score of 4.52 on a scale of 1-5). The strongest

performances included policy advice obtained (score of 4.60) and PhD/training activities (4.56).

- User views were sought on the efficiency of processes and understanding of client needs. The level of satisfaction amongst users is strong. **AHRC's ability to understand user needs scored highly** (4.74) and the other aspects of service delivery which were viewed as important by users were equally strong: AHRC staff knowledge and expertise 4.87 and AHRC staff professionalism 4.73.
- **84% of users were satisfied with their relationship with the AHRC** and the majority who had worked with us felt that they had benefited to a great extent from the partnership

Economic Impact Case Study - AHRC Research on recycled glass for structural and aesthetic applications led to a new product, TTURA that is used in public art works and is sold to the construction industry for worktops and flooring. According to PwC, the economic impact of this research includes a projected Gross Value Added from sales of TTURA in the range of £2.4m to £3.2m over 25 years and projected licensing income from intellectual property ranging from £530k to £930k over 25 years.

Delivering People to the Labour Market

People Flowing into the Wider Economy

- A career tracking survey (conducted by DTZ in 2006) showed that **23%** of AHRC PhD finishers take up positions in the **private and public sector**, with 71% of AHRC PhD finishers taking up posts in the HE sector. Based on a four year submission rate, **141 highly skilled people entered the private or public sector workforce** in 2006-07, while another 435 entered employment in the HE sector.
- Of new PhD awards in 2006-07, **155 highly skilled people will enter the public or private sector** and another 477 will enter employment in the HE sector.
- **61%** of AHRC Professional Preparation Master's finishers take up positions in the private and public sector. Of new awards in 2006-07, **213 highly skilled people will enter the private or public sector workforce.**

Jobs Created

- US Department of Commerce Bureau of Economic Analysis suggests that 36 jobs are created for every £1m expenditure on R&D. AHRC expenditure on research and knowledge transfer activities in 2006-07 was £45m, **creating 1,620 jobs**.

Delivering Economic Impact through Exhibitions

- Arts and humanities **research is a vital component of any world-class exhibition**.
- Studies conducted by PricewaterhouseCoopers (2006/7), PA Consulting (2007), Love (2005), Travers and Glaister (2004) show **that exhibitions in museums and galleries generate substantial economic benefits for the UK economy**.
- Exhibitions arising from AHRC research awards are a key impact delivery mechanism for arts and humanities research. In 2006-07 AHRC awards led **to 218 exhibitions and performances**.

Economic Impact Case Study - Research on 'Polynesian visual arts brought together over a thousand artefacts from the 18th and 19th century. The work was disseminated widely, including major exhibitions at the Sainsbury Centre for Visual Arts and the British Museum. PwC⁵ estimate that these exhibitions had an impact of £8.1m on the UK economy.

Summary of Achievements

The range of impacts already achieved is demonstrated by the following indicators:

Arts and humanities research is recognised as an innovation driver

- This is evidenced by the diverse range of organizations (56 in 2006/07) that support our KT awards. They do so because they recognize that arts and humanities research helps them to develop their products, services, policy-making and profitability. One example is the Knowledge Exchange Programme co-funded 50/50 by BBC New Media and Technology.

⁵ Case study on economic impact of research grant *Polynesian Visual Arts: meanings and histories in Pacific and European cultural contexts*. PricewaterhouseCoopers 2006

Dedicated support for micro-enterprises so they can benefit from research-led KT

- 18 micro-enterprises have applied to our new, user-driven Knowledge Catalyst scheme.

AHRC performs strongly across all types of interactions with users

- Users report we understand their needs (score of 4.75 on a scale of 1-5).
- 84% of users are satisfied with their relationship with the AHRC.

Support for highly-skilled postgraduates to sustain the quality and health of the research base and to translate research results into innovation in the workplace

- In 2006-07 141 AHRC-funded PhD finishers and 213 Professional Preparation Master's entered the private or public sector workforce and 435 PhD finishers took up employment in the HE sector.

Arts and humanities research underpins world-class exhibitions, which are experienced by thousands of people creating social, cultural and economic impact

- In 2006-07 218 exhibitions and performances arose from AHRC awards.

ANNEX 2 - FINANCIAL INFORMATION

Table 1

Distribution of Council's Expenditure by Strategic Theme over the CSR Period

	2008/09 £m	2009/10 £m	2010/11 £m
Stimulating the Creative Economy	15.58	17.53	18.70
Security & Identity	12.91	11.25	11.66
Skilled People	20.25	20.48	21.56
Sustaining the Research Base	21.97	19.76	21.79
Challenges Posed by Globalisation	20.89	19.77	24.32
Environmental and Social Challenges	12.69	9.90	6.13
Other	7.39	7.12	7.06
Total	111.67	105.80	111.22

Table 2

Council Expenditure by Funding Mechanism over the CSR Period

	2008/09 £m	2009/10 £m	2010/11 £m
Strategic Research	16.26	17.61	17.43
Responsive Mode Research	43.52	39.12	43.18
Postgraduate Training	38.57	35.91	37.48
Knowledge Transfer	5.93	6.03	6.05
Programme Delivery	3.00	2.88	2.83
Administration Costs	4.39	4.25	4.25
Total	111.67	105.80	111.22

Table 3

Proposed Contribution to RCUK Priorities

	2008/09 £m	2009/10 £m	2010/11 £m	Total £m
Living With Environmental Change	2.34	1.92	0.69	4.95
Global Threats to Security	5.94	7.07	7.51	20.52
Digital Economy	0.92	2.26	2.26	5.44
Ageing: Life-long Health and Wellbeing	0.30	0.30	0.30	0.90
Total	9.50	11.55	10.76	31.81