

Outputs of Governance review of SFI Research Centres

Proposed actions

The following table summarises each of the Governance Advisory Review Committee (GARC) recommendations along with the SFI management proposal for action, which have been developed, taking into account the report and stakeholder feedback.

GARC Recommendations	SFI Proposed Plan of Action
<p><u>Recommendations 3.1a:</u> Maintain the current SFI Research Centres within HEIs subject to the significant governance modifications outlined in this report.</p>	<p>SFI is in full agreement with this recommendation and it is clear from the progress reviews that the Research Centres should remain embedded in the HEI system. No further action is required.</p>
<p><u>Recommendation 3.1b:</u> As work at higher TRL levels in Centres increases, the creation of legally and financially independent organisations either as RTOs or as start-up companies on an as-needed basis, in very close partnership with the SFI Research Centres, needs consideration.</p>	<p>No immediate action will be taken on this recommendation in the short term. The Centre Directors were not in favour of this recommendation and felt that the Centres are able to carry out higher TRL work as well as create start-ups, using the existing RC model. This is consistent with SFI's view that the Centres should be following an Applied and Basic Combined (ABC) principle. Moving higher TRL activities into a separate organisation would fragment the system and dilute the KPI and cost share performance of the Centres. The post award team will continue to closely monitor the TRL evolution of the Centres with this recommendation in mind.</p>
<p><u>Recommendation 3.2:</u> More detailed contracts between SFI and the HEIs and two-way service level agreements between the Research Centres and the HEIs should be put in place at the outset, outlining the obligations, commitments and responsibilities of all parties.</p>	<p>SFI proposes implementing this recommendation that will be acted on for the new 2016 Research Centres and for the potential phase 2 funding of the seven 2012 Centres. This recommendation was broadly welcomed by the Research Centre Directors and was referenced as a tool for improvement in the Phase 2 submissions (received by SFI in June 2017). SFI proposes that the Service Level Agreement (SLA) would be an extension of existing inter-institutional agreements that are in place between the partner HEIs of the Research Centre. The SLA should govern the level of support required from the HEI (HR, TTO, legal, contracts, admin, financial) and the level of support and intervention required by SFI.</p>

	<p>The SLA should account for budgetary flexibility, transfers of money from one HEI to another; this could be capped to a certain level, with any higher level budgetary changes (above the cap) to be agreed only at the 2-yearly progress site visits.</p> <p>The SLA should include the Centre’s management decision-making process for project ‘starts’ and ‘stops’ in both platform and targeted projects.</p> <p>Existing SLA templates such as those used by the NSF Engineering Research Centres (ERC)s and the APC Microbiome institute will be evaluated as a potential basis for the SLA. SFI will work with the HEIs, the IUA and HEA where relevant, and would seek legal guidance where appropriate. Development of an agreed SLA is likely to take six months.</p> <p>The SLA will not take the place of the Letter of Offer. The Letter of Offer is the legal contract between SFI and the host HEIs. The SLA will be agreed separately.</p>
<p><u>Recommendation 3.3:</u> SFI, in conjunction with the HEA, IUA and other agencies such as Enterprise Ireland, should undertake a study of the full economic cost of research and agree to an overhead rate that appropriately reflects the cost of carrying out SFI research.</p>	<p>This is not the direct responsibility of SFI and will not be pursued at this time. SFI’s overhead rate is the same as or higher than that of the EU R&I funds (i.e. Horizon 2020 and ERC) and the major charities (e.g. Wellcome).</p> <p>With regard to industry collaborations, overhead rates are a matter for the HEIs to directly negotiate and set.</p>
<p><u>Recommendation 4.1a:</u> SFI and the HEIs should delegate authority to the Governance Committees to oversee the strategic development and performance of the SFI Centres.</p>	<p>SFI acknowledges that the Centre Director has his/her primary direct reporting line to the HEI. SFI proposes that this reporting line is to a very senior level person at the host HEI (i.e. President or VPR) and would not involve any other reporting line arrangements within the HEI (e.g. heads of school, etc). SFI proposes that the Centre Director would be accountable to SFI, via the HEI, for the running and performance of the Research Centre award.</p> <p>SFI proposes that the Governance Committee should be responsible for the following:</p> <ol style="list-style-type: none"> 1. Oversight of Centre strategy, taking into account the advice of the international review panels. <p>Oversight duties include:</p>

	<ul style="list-style-type: none"> - The strategy behind the flow of funding within the participating HEIs; - The balance between applied and basic research taking place in the Centre; - Strategic direction of the science (taking into account the direction given by the Scientific Advisory Board); - Strategic direction of the Industry engagement and collaboration (taking into account the direction given by the Industry Advisory Board); - Communication and EPE strategies; - Commercialisation Strategy. <p>2. Oversight of Centre Performance</p> <ul style="list-style-type: none"> - KPIs, including industry cost share - Financial reports <p>SFI proposes that the Governance Chair would be given a higher level of authority than is currently the case and that this would be agreed and laid out in the SFI-Centre-HEI SLA mentioned in 3.2. For example, at a minimum, the Governance Chair and RC Director should have regular strategy-focused meetings with each other, and should in turn have regular engagement with the President and/or VPR of the host HEI. There should be opportunities for the Governance Chair and RC Director to be part of relevant HEI committees, so that they are better able to align the Centre strategies with the HEI mission and vision. The Governance Chair should also have the authority to set up sub-committees of the Governance Board that they see fit with the aim of improving the strategic direction of the Centre.</p>
<p><u>Recommendation 4.1b:</u> The Centre Manager should be a senior appointment, such as COO/CEO.</p>	<p>This is already the case for most Centres and no or limited immediate action needs to be taken.</p> <p>The list of such roles in each Centre is provided below.</p> <ul style="list-style-type: none"> • AMBER (Executive Director – Lorraine Byrne) • APC (General Manager, Sally Cudmore) • IPIC (Centre Manager – Patrick Morrissey) • Insight (COO Mike Turley and CEO Ollie Daniels) • INFANT (Head of Operations - Jo Studham) • SSPC (General Manager – Jon O’Halloran)

	<ul style="list-style-type: none"> • MaREI (Centre Manager – Gillian Bruton) • ADAPT (Associate Director of Operations, Páraic Sheridan) • Curam (Operations Director - Iain Shaw) • Connect (Executive Director – Tim Forde) • Lero (General Manager – Brendan O’Malley) • iCrag (Centre Manager – Jennifer Craig)
<p>Recommendation 4.1c: SFI should reduce the amount of reporting required of the Centres. While it is appropriate for SFI to collect the KPIs on a 6-monthly basis, the Governance Committees should report on Centre accomplishments on an annual basis.</p>	<p>SFI acknowledges that there is a need to streamline reporting as much as possible, while also ensuring that sufficient information on its investment is captured to support ongoing tax-payer return on investment and future spend.</p> <p>An immediate action that will be taken is to streamline the design of the existing governance report. A consultation with the existing governance chairs will occur to determine how they would like to report and how this fits with SFI’s needs.</p> <p>In addition, the President of the HEI should sign the report but, in the spirit of simplification, does not need to write a cover letter.</p> <p>SFI believes that a six-month report is important as SFI gives regular updates on the performance of the Centres to government and therefore 6-monthly data is a strategic necessity. However, SFI is open to consultation with the governance chairs on the nature of this report.</p>
<p>Recommendation 4.2: The composition of the Governance Committee should comprise of members largely external to the Centre and HEIs (non-executive and independent) who collectively have broad experience and expertise in areas relevant to the Centre. Appointments should be recommended by the Governance Committee and approved jointly by SFI and the HEI.</p>	<p>The current SFI guidance on the composition of the Governance Committee is the following; <i>“The Governance Committee will typically consist of six to 10 members. The Governance Committee will include the Centre Director, a senior member of the host Research Body (typically the Vice President for Research or his/her designate) and at least one member from other partner institutions involved in the centre (again, typically the Vice Presidents for Research or their designates). At least half of the members must be external to the Centre, and will be senior, independent figures from business, academia or the public sector who will assist the director in overseeing the operations of the centre in an advisory capacity.</i> A list of the current Governance Committee membership is provided in Appendix 4.</p> <p>In response to the recommendation and subsequent consultation, SFI proposes the following changes:</p>

	<ol style="list-style-type: none"> 1. The appointment process for the Governance Chair and for the members of the Governance Board needs SFI Executive or Board approval of each appointment. 2. It is important that the VPR from the host institution should be a member of the Governance Board. On the basis of the review, SFI questions whether it is necessary to have a VPR from all participating institutes involved. The aim of the VPR role is to represent the position of all the participating HEIs. Perhaps the host VPR plus one additional role (which would alternate between participating institutes) represents an optimal structure. 3. SFI's view is that "external to the Centre" means non-members of the Centre, the host HEI or partner HEIs. External members of the Governance Board can include individuals from industry, external international Universities or Research Centres, government departments or agencies, a business or other relevant representative body, etc. Steps should be taken to assess and manage potential conflicts of interest. 4. The option of payment of a fee to Governance Chairs and Governance Board members, in line with public service policy, should be considered, particularly where payment would help to attract the best Board members. It is envisaged that having a fee structure would help to professionalise the service of the Board members and support the membership renewal process, while accepting that some Board members will choose / be obliged to waive their fee.
<p>Recommendation 4.3a: Scientific and Industrial Advisory Committees should continue to advise the Centre Executive, and provide unfiltered reports to the Governance Committee, on the vision, the strategy and the quality of the research.</p>	<p>In agreement. No action needed. SFI encourages the Research Centres to, with consultation, establish the governance structure that they see fit to ensure the success of the Centre.</p>

<p><u>Recommendation 4.3b.</u> A communications team should be put in place to develop the national and international visibility for the Centres and the marketing materials needed to promote the Centres with industry and others.</p>	<p>Action has been taken on Recommendation 4.3b. A survey of the activities of the Communications staff within each Centre has been completed and the Communications staff were invited to the Centre Directors meeting on May 17th 2017. A liaison route has also been established, with one SFI SPM now acting as a day-to-day link between the SFI Communications Directorate and the Research Centres team. SFI will actively seek budget to fund a communications executive with a technical/scientific background that would directly support the Centres.</p>
<p><u>Recommendation 4.4:</u> The Governance Committee should help drive the implementation of the vision and the strategy of the Centre to become global leaders in their field of research. The Governance Committee should pay attention to the quality of the partnerships of the Centre with industry (both SMEs and MNCs), with the HEIs and between researchers in the Centre, and provide support for the Centre Director, as necessary. The Governance Committee should help evaluate the communications strategy and disclosure of intellectual property and help identify new potential commercial opportunities. The impact a new funding model (such as migrating the funding mix to 1/3 State, 1/3 industry and 1/3 non-Exchequer funding) needs to be carefully monitored to retain the optimum mix of fundamental research with short and longer term applied research.</p>	<p>Linked to recommendation 4.1a - see those actions.</p>
<p><u>Recommendations A4:</u> SFI, HEA and Enterprise Ireland and IDA should consider how to further optimise the inclusion of IoTs in the national research agenda. Better streamlining and coordination between Technology Centres, Technology Gateways and SFI Centres is needed – especially as the Research Centres move toward higher TRLs.</p>	<p>IoTs are already partnering with the Research Centres and are eligible to do so. SFI will continue to meet and engage with THEA and IoT leadership to ensure optimal IoT involvement.</p>
<p><u>Recommendation A.5:</u> SFI should prepare, together with the HEIs, an information document on “guidelines for SME/Centre collaborations” which explains the rules of engagement for SMEs to partner with Centres and clarifying what SFI requires,</p>	<p>SFI will prepare a guidance document, in consultation with Centres and other relevant stakeholders.</p>

**and how best to negotiate agreements with
the Centres and HEIs.**