



Office of Hon Steven Joyce

Minister for Economic Development
Minister of Science and Innovation
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Associate Minister of Finance

26 MAY 2014

John Spencer
Chair
Tertiary Education Commission
PO Box 27-048
Wellington 6141

Dear John

Determination of Design of Funding Mechanism (Supplement): Centres of Research Excellence

I am writing to advise you of a supplement to the *Determination of the Design of Funding Mechanism: Centres of Research Excellence*, issued under section 159L of the Education Act 1989 (the Act). The supplement is set out in the appendix to this letter.

This supplement mandates the selection of four additional Centres of Research Excellence, including a CoRE focused on Māori research, following the completion of the recent 2013/2014 selection round. These CoREs will be funded from unallocated expenditure in the CoREs fund and additional CoREs funding announced as part of Budget 2014.

A performance framework developed by the Ministry of Education and the Tertiary Education Commission will be approved before the Tertiary Education Commission finalises contracts for successful CoREs following the 2013/2014 selection round. This will allow contracts for these CoREs, and the four additional CoREs, to reflect the agreed performance framework.

Under section 159O of the Act, it is the Commission's responsibility to develop the operational policy and practices needed to implement the supplement. I expect that the Commission will set appropriate performance measures for the implementation of these selection processes through its Statement of Service Performance.

Yours sincerely

Steven Joyce
Minister for Tertiary Education, Skills and Employment

DETERMINATION OF DESIGN OF FUNDING MECHANISM (SUPPLEMENT): CENTRES OF RESEARCH EXCELLENCE

PRELIMINARY PROVISIONS

Introduction and statutory authority

1. This funding mechanism is a supplement to the *Determination of Design of Funding Mechanism, Centres of Research Excellence* (the funding mechanism) issued on 19 August 2013, and is made under section 159L of the Education Act 1989.

Purpose

2. This supplement is issued to enable the selection of additional Centres of Research Excellence (CoREs), following the selection of six CoREs by the Tertiary Education Commission (TEC) in the 2013/2014 selection round.
3. All provisions in the funding mechanism will apply to the funding and operation of these additional CoREs, except where otherwise specified in this supplement.

Timeframe

4. The additional CoREs selected as a result of this supplement will be funded for activities delivered from 1 January 2016 to 31 December 2020.

GENERAL PARAMETERS

5. The TEC will develop two competitive processes to select:
 - a) three additional CoREs to be funded; and
 - b) a CoRE focused on Māori research to be funded.

Section A – Closed round to select three additional CoREs

6. The TEC will select three additional CoREs to be funded through a competitive process to be developed by the TEC.

Eligibility

7. The TEC must only fund a tertiary education institution (TEI) to host a CoRE if that TEI:
 - a) submitted an application (or applications) for funding for a CoRE (or CoREs); and
 - b) was unsuccessful in that application or applicationsin the 2013/2014 selection round.

Assessment criteria

8. To select which CoREs will be funded, the TEC must apply the following assessment criteria. The assessment criteria must be read in conjunction with the mission statement included as an appendix to the funding mechanism.
 - a) Excellence: excellent research, including:
 - i. academic strength of the proposed research team;
 - ii. proposed research programme;
 - iii. commitment to ensuring research is leading edge and solution focused;
 - iv. collaborative depth of the proposed partnership and the degree to which this strengthens the proposal; and
 - v. proposed national and international influence of the CoRE.
 - b) Contribution within the tertiary education system, including:
 - i. contribution to the priorities of the Tertiary Education Strategy;
 - ii. contribution to graduate, and post-graduate and new researcher education;
 - iii. expected impact on the development of New Zealand's future workforce; and
 - iv. contribution to the development of a culture of innovation and wealth creation in New Zealand.
 - c) Contribution to New Zealand's future development, including:
 - i. potential for the research to have public good and/or economic impact in New Zealand;
 - ii. commitment to engagement and exchange with potential stakeholders/end-users; and
 - iii. strength of the intention to drive the connections that lead to research translation.
 - d) Governance and management, including:
 - i. strength of planned governance and management;
 - ii. clarity and benefits of proposed host and partner contributions; and
 - iii. commitment of parties to proposed collaborative practices.
9. When selecting additional CoREs to be funded, the TEC will select CoREs that best meet the assessment criteria.

Section B – Open round to select a CoRE focused on Māori research

10. The TEC will select a CoRE focused on Māori research to be funded through a competitive process determined by the TEC.

Eligibility

11. The TEC must only fund a TEI to host the CoRE.
12. A TEI may not submit an application on behalf of a proposed CoRE to receive funding if funding for that CoRE, or a substantially similar CoRE, is also being sought through the closed round described in Section A.

Assessment criteria

13. To select a CoRE focused on Māori research to receive funding, the TEC must apply the following assessment criteria. The assessment criteria must be read in conjunction with the mission statement included as an appendix to the funding mechanism.
 - a) Excellence: excellent research, including:
 - i. academic strength of the proposed research team;
 - ii. proposed research programme;
 - iii. commitment to ensuring research is leading edge and solution focused;
 - iv. collaborative depth of the proposed partnership and the degree to which this strengthens the proposal; and
 - v. proposed national and international influence of the CoRE.
 - b) Contribution within the tertiary education system, including:
 - i. contribution to the priorities of the Tertiary Education Strategy;
 - ii. contribution to graduate, and post-graduate and new researcher education;
 - iii. expected impact on the development of New Zealand's future workforce; and
 - iv. contribution to the development of a culture of innovation and wealth creation in New Zealand.
 - c) Contribution to New Zealand's future development, including:
 - i. potential for the research to have public good and/or economic impact in New Zealand;
 - ii. commitment to engagement and exchange with potential stakeholders/end-users; and
 - iii. strength of the intention to drive the connections that lead to research translation.
 - d) Governance and management, including:
 - i. strength of planned governance and management;
 - ii. clarity and benefits of proposed host and partner contributions; and

iii. commitment of parties to proposed collaborative practices.

14. In addition, the TEC must also consider how the CoRE will support goals set out in:
- a) He Kai Kei Aku Ringa: the Crown-Māori Economic Growth Partnership
 - b) Ka Hikitia: Accelerating Success 2013-17
 - c) Vision Mātauranga, and
 - d) the Māori Language Strategy.
15. When selecting the CoRE to be funded, the TEC will select the CoRE that best meets the assessment criteria.

SPECIFIC PARAMETERS

16. When selecting additional CoREs, the TEC will not select CoREs that cover the same specific areas of research as CoREs selected from the 2013/2014 selection round, or other additional CoREs.